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# ***JPRS Report***

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## **East Asia**

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***Southeast Asia***

# East Asia Southeast Asia

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10 FEBRUARY 1988

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### Foreign Minister Bole Meeting in China

42000166b Suva *THE FIJI TIMES* in English  
5 Dec 87 p 2

[Text] Fiji's Foreign Minister Mr Filipe Bole was to meet Chinese officials, including Foreign Minister Wu Xuedian, yesterday to drum up financial and diplomatic support for Fiji's military government, diplomats said.

Mr Bole arrived in Peking on Thursday (Fiji time) for what diplomats said was a "working visit". China has not given diplomatic recognition to the military government in Fiji.

China's official media have not reported on the visit, which is scheduled to end on December 8 after a trip to the southern city of Canton.

Last month Mr Bole visited New Zealand and Australia, formerly Fiji's major trading and investment partners, but neither country has recognised the republic.

China was unlikely to establish official ties with the new government but would pursue trade links with Fiji, Western diplomats predicted.

China imports sugar from Fiji but the overall level of trade is small. Mr Bole told reporters in Suva last month that he hoped his visit to China would focus on technical help.

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### Ratu Mara Heads Country as Prime Minister

42000167b Suva *THE FIJI TIMES* in English  
7 Dec 87 p 1

[Article by Mesake Koroj]

[Text] Fiji now has a civilian government headed by Ratu Sir Kamisese Mara.

The military government headed by coup leader Brigadier Sitiveni Rabuka resigned on Saturday.

In a dramatic turn of events on Saturday, Brigadier Rabuka called an emergency meeting of his Executive Council of Ministers and told them that he would be abdicating and giving power back to former Governor-General, Ratu Sir Penaia Ganilau, whom he had appointed president.

The civilian government led by former Alliance Prime Minister, Ratu Sir Kamisese, will formally take office today.

A team of between 10 to 18 new ministers is expected to be sworn into office this week.

But the militant Taukei Movement has expressed concern and shock at the sudden turn of events.

"It's another coup. There is no guarantee that the constitution will be changed to meet the aspirations of the Taukei Movement and the Fijian people generally," a spokesman said last night.

In a swift turn of events, Brigadier Rabuka called an emergency meeting of his Council of Ministers on Saturday morning.

Only nine of the ministers attended. He surprised his ministers by announcing his intention to surrender power to Ratu Sir Penaia the same afternoon.

Those who attended were the Minister for Fijian Affairs, Ratu Meli Vesikula, Minister for Indian Affairs, Mrs Irene Jai Narayan, Minister Without Portfolio, Dr Ahmed Ali, Minister for Housing, Mr Livai Nasilivata, Minister for Education, Ratu Filimone Ralogaivau, Minister for Lands, Mr Sakeasi Butadroka, Minister for Information, Ratu Inoke Kubuabola and Attorney-General and Minister for Justice, Mr Kelemedi Bulewa.

The meeting was also attended by Col Moses Buadromo, Col Vatiliai Navunisaravi and two other senior army officers.

Earlier in the week Brigadier Rabuka had been meeting secretly with Ratu Sir Penaia and Ratu Sir Kamisese, discussing the political situation in Fiji.

The Taukei Movement people at the meeting questioned Brigadier Rabuka on Ratu Sir Penaia's appointment as president.

They claimed that it had always been the understanding of the Fijian people that the Great Council of Chiefs would approve the appointment of the president.

The ministers tried to persuade the brigadier to change his mind, but he was firm in his decision.

He met Ratu Sir Penaia at Government House later in the afternoon and both formally and ceremonially appointed him as the first president of the Republic of Fiji.

By yesterday, all the 22 ministers in his administration had received letters thanking them for their services. They also received 10 months salary in compensation.

The four newly appointed Supreme Court judges have also received their termination letters with three months compensation.

This move is seen as being in accordance with Ratu Sir Kamisese's wish for an independent judiciary.

Late yesterday, speculation was rife that deposed Chief Justice, Sir Timoci Tuivaga, had been asked to take over as Chief Justice again.

It is also believed that the magistracy will also be reorganised.

A government spokesman said yesterday that Ratu Sir Kamise was expected to name his new Cabinet tomorrow.

In Suva this morning, the Taukei Movement executive will be meeting to consider the new turn of events.

"We are certainly concerned about the whole thing. It appears that we are going back to the Deuba Accord," their spokesman said.

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### Rabuka's Reasons for Stepping Down

42000166d Suva *THE FIJI TIMES* in English  
7 Dec 87 p 3

[Article: "Rabuka: Why I've Stepped Down"; first paragraph is *THE FIJI TIMES* introduction]

[Text] This is a transcript of a broadcast address made by the head of the military government and Commander of the Security Forces, Brigadier Sitiveni Rabuka, over Radio Fiji on Saturday night.

I have a very important message for all the people of Fiji.

You will remember that I have always made it clear to you that what I have done has not been done because I had a desire to rule Fiji. What I did in May and in September this year I did for Fiji.

I did not do it to achieve political power for myself nor did I do it to achieve political power for any person or group of people. My officers and men who have supported me shared with me the desire to prevent what we had seen over the last few years as the gradual erosion of the Fijian way and life with threats to the customs and traditions of Fijian people, our social principles and values, threats to the identity of the Fijian people and threats to their economic well-being.

Those threats, this erosion I talk of, as I say, have been gradual and occurred over a number of years. The result of the election in April 1987 was not the beginning. It was the moment when the threats became intolerable.

I believe they were intolerable because I believe the 1970 Constitution was inadequate to protect the values and principles and way of life of the Fijian people, particularly when a political party was in power which was not predominantly Fijian.

I know that there are many people in Fiji and elsewhere who have assumed that my actions were specifically designed to help a particular political party or a particular movement. That is not so.

So far as any political party or movement actually champions the preservation of Fijians values and principles, such party or movement is that one with what I champion but I believe that what I champion is above party politics or political movements.

In the name of our Lord Jesus Christ, Fijian customs and traditions, the Fijian way of life, should not be the subject of party politics. They should not be kicked like a political football. I believe that the values which I have acted to protect should have been better protected by the 1970 Constitution and by that I mean, so enshrined in the Constitution that whatever political party was in power, they would not be threatened.

The 1970 Constitution did not express as it should have done, all the principles the Fijian people value nor did it provide adequate protection for them—our new constitution will do so. Maybe in 1970 it was not thought necessary—maybe the erosion I have talked of was simply not foreseen.

You know well how the actions which I have taken have affected Fiji. I promised you that military rule would come to an end as soon as I could see that security no longer required it.

I have, as I promised, reduced the armed forces. Now I have decided that it is the right time for me to stand down as our Head of State and to hand over to Ratu Sir Penaia Ganilau whom I believe all the people of Fiji trust and who is best suited to bear the heavy burden of leadership in the return of Fiji to normality.

You should not think that because I am standing down, I am abandoning the cause. I can assure you that I would not do so unless I was confident that we were set on the right course. I have told Ratu Sir Penaia that he has my complete support and loyalty and that I am prepared to serve him and Fiji in any way that he chooses.

I should like to explain to you all why I am so confident about the future.

After the first coup in May this year, it was my firm understanding that the 1970 Constitution would be changed so as to give protection to indigenous Fijian interests and values. By the time the Constitution Review Committee had finished there were warning signs that change might not come.

Upon the signing of the Deuba Accord it was being expressly stated that the constitutional review, which was agreed upon, was not to be limited to constitutional

change to protect indigenous Fijian interests. The terms of reference had become wider, great uncertainty had been created and the objective of the coup had become frustrated.

I therefore acted in September to reassert the objective of change to protect indigenous Fijian interests. It has always been clear to me that the nature of the change, what I understand as the mechanism to establish the protection for the Fijians, would be a matter for discussion and for experts to advise upon and draw up, but it was not my intention that such discussion should move away from the objective of change.

As I stated to you before I took action because there was a necessity for change: violence and disorder were threatened in May. Again in September the atmosphere of uncertainty was generating the imminence of violence and disorder.

Calm and public order have now returned to Fiji but a return to civilian rule is, I believe, vital to enable the economy to pick up and for investors at home and abroad to have confidence in Fiji.

I can assure them now that they can be confident.

The position since the Deuba Accord has changed. There will be a new Constitution to protect the interests of the indigenous Fijian. It will, of necessity, protect these interests and will in my judgment be fair and reasonable to all the people of Fiji.

It will be for others to make their own judgment in due course. But I want Fijians to know that there is no need for concern. I am confident that my objective will be achieved.

It is now vital to improve the economy. Calm and public order are required for that and I have assured Ratu Sir Penaia Ganilau that I am prepared to assist him to ensure that calm and public order continue. The detailed work on the new Constitution will continue.

I want to express my particular sincere thanks and gratitude to the ministers in my Cabinet and to the Judges who have willingly come forward to support me during my administration.

I want also to express my particular thanks to all officers and men and women of the Security Forces for the disciplined manner in which they have carried out their duties.

There have been incidents of ill discipline—but very few. They have been investigated and the offenders penalised. Many complaints have also been investigated and found not justified.

I also want to thank the public for your understanding and co-operation which has enabled me to hand over the reigns of the Government to Ratu Sir Penaia Ganilau.

These have been momentous times for Fiji. The link with Her Majesty the Queen has been severed but I have by decree, made today, appointed Ratu Sir Penaia Kanatabatu Ganilau as the first president of Fiji and it is my sincere hope that he will lead the way for Fiji to progress to a point where the historic link with the Crown can be re-established.

God Bless Fiji.

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#### President Ganilau's Acceptance Speech

42000167a Suva THE FIJI TIMES in English  
7 Dec 87 p 3

[Article: "Ratu Penaia's Hopes for Civilian Government"; first paragraph is THE FIJI TIMES introduction]

[Text] The following is a transcript of a broadcast by the first president of the Republic of Fiji, Ratu Sir Penaia Ganilau over Radio Fiji on Saturday night.

People of Fiji. You have just heard that Brigadier Rabuka has appointed me the first president of Fiji.

He has told you the reasons for his decision and I should like to tell you my reasons for accepting the appointment, and what plans there are for the future of Fiji.

As you will have probably read in the newspapers, Brigadier Rabuka approached me some time ago and told me of the role he believed I might play in the return of Fiji to normality. I have anxiously considered the position.

There has never been any doubt in my mind that a return to civilian government was vital to the regeneration of the economy, but I told Brigadier Rabuka that before I could accept the office I should have to be satisfied that the proposed Constitution was acceptable to me.

The detail of the proposed constitution has not yet been worked out but I have been able to give detailed consideration, both personally and through my advisers, to the proposals for the essential content of the constitution.

Brigadier Rabuka and I are in agreement as to the maximum requirements which will be required to protect the interests of the indigenous Fijians.

But Brigadier Rabuka and I also agree that what is required is that Fiji should have the best possible constitution that can be devised. Thus what I have called the maximum requirements may eventually be reflected in a number of ways.

As the Brigadier has told you the experts will have to go on with the detailed working out of the mechanisms but I am satisfied that the detailed working out will, whatever its final shape, be acceptable to me.

I have therefore accepted the appointment.

People of Fiji, let us be sure of one thing. You have heard Brigadier Rabuka tell you that he is confident that his objective will be achieved. You should trust him.

We both clearly understand each other and agree on the objective, and it is therefore essential for you to realise that the future protection of the indigenous Fijian interests is in safe hands.

Those who may seek to cause unrest in the future will be doing so because they do not support Brigadier Rabuka. They will not help Fiji. We must set ourselves firmly against violence, hatred and disorder.

I ask you to join with me and be a guardian of Fijian interests in the manner which has been decided today.

I shall need not only your help but the untiring support of a Prime Minister and Cabinet. I have already appointed Ratu Sir Kamisese Mara Prime Minister, he having agreed with me that he would take up that heavy responsibility.

Fiji is fortunate in having him at this time. He is already preparing to form his Cabinet. Fiji now has a civilian government.

I am grateful to Brigadier Rabuka for what he has said today. His explanation for his actions has helped me reach my decision. Where there is frankness there should be no misunderstanding.

Everyone should now know that the leaders of Fiji desire a return to parliamentary democracy and the re-establishment of the link with Her Majesty The Queen.

But that desire does not mean that the interests of the indigenous Fijians will not be protected to the extent that you have already been given assurances this evening. It means that we hope that the best possible Constitution for Fiji will enable the link to be resumed.

All the communities in Fiji should take heart from the fact that such is our ultimate goal.

Patience and time will be required to heal wounds and to get things right. Let us work for peace and prosperity in Fiji.

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#### Editorial Comment on Fiji Government Priorities

42000166c Suva THE FIJI TIMES in English  
7 Dec 87 p 4

[Editorial: "This Government Must Succeed"]

[Text] The new civilian government headed by Ratu Sir Kamisese Mara deserves the full support of everyone in the country. If this government fails, the credibility of this nation would be permanently in tatters.

Brigadier Sitiveni Rabuka has done the right thing by handing over power to Ratu Sir Penaia Ganilau whom he has named as the first president of the new republic. And Ratu Sir Penaia wasted no time in inviting Ratu Sir Kamisese to form a government.

Ratu Sir Kamisese has graciously accepted and is expected to announce his Cabinet either today or some time this week.

Ratu Sir Penaia, Ratu Sir Kamisese and the people of this country expect Brigadier Rabuka to keep his compact with them and fully support the new government. Its tasks are daunting but in Ratu Sir Kamisese, the country has a politician and statesman of incomparable stature. He can, and will, pull the country back from the brink of economic ruin and social disintegration if he is given a fair chance.

The civilian government should be widely representative so that no one feels it is one-sided. If Dr Timoci Bavadra and his men are asked to serve on it, they should, for the sake of the country.

The major tasks before Ratu Sir Kamisese are economic reconstruction, national reconciliation and international recognition and credibility. These are challenging but by no means impossible tasks.

Other items on the national agenda are repairing damage to the civil service, lifting of restrictions on the freedom of movement imposed by the military on some people, allowing all the media to function freely and taking immediate steps to install an independent and competent judiciary.

Both Ratu Sir Penaia and Brigadier Rabuka have spoken about re-establishing the severed links with the British Crown. Most people in Fiji would like to see this happen but there are practical difficulties because of Fiji's new republican status.

But there might be some accommodation of a different sort.

What Fiji needs is a strong, stable and fair government which can steer the country back to parliamentary rule. If anyone, Ratu Sir Kamisese can provide the type of leadership the country now needs.

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### Import Limits Lifted

42000165a Suva *THE FIJI TIMES* in English  
23 Nov 87 p 3

[Text] Restrictions on import licensing are to be lifted.

This comes as part of the government's efforts to win back investor confidence in the country.

Minister for Economic Development, Planning, Trade and Industry, Mr Isimeli Bose hinted this while opening a trade industry workshop in Suva at the weekend.

The government was looking at deregulating and removing restrictive protection licensing which distorted market operations, Mr Bose said.

Mr Bose said confidence must be restored in the marketplace in Fiji which acts as a catalyst for business.

Moves must also be made towards stimulation of domestic consumption and the fostering of competition to revive business activity.

He said restrictions adopted in the past would be lifted to allow for more competitiveness in the business sector.

Mr Bose said the Fiji market was not large enough for licence protection.

"To limit competition on the assumption that the market is not large enough will result in strategies that are domestically focused rather than export focused."

He said limiting competition should take place only when the export potential of a company is at risk.

Mr Bose said Fiji must decide whether or not she wants export growth from the manufacturing sector.

"If she does, then competition should be fostered on the domestic market to allow companies to strive for competitiveness."

"Protection must not be absolute barring new entrants who can exploit the export potential," he said.

Mr Bose pointed out that assistance rather than protection should be offered to companies poised for export growth.

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### Reaction to Lifting of Imports Licensing

42000166a Suva *THE FIJI TIMES* in English  
2 Dec 87 p 3

[Text] Local manufacturers are not happy with a government decision to abolish imports licensing.

They say it will adversely affect local manufacturers who have invested heavily in industries based on import licensing protection.

The Fiji Manufacturers Association maintains that changes must come gradually.

The association's vice-president, Mr David Ashby, said although its members were divided on the ideology behind the introduction of the new system, they were united in the belief that the change must be slowly phased in.

He said in this way manufacturers would be able to adapt and change their investments to import-oriented enterprises.

Under the new system the government is looking at abolishing the quota basis used to determine the amount of imports allowed into the country.

Only a percentage of the country's total consumption of a product could be imported if it is locally produced.

The percentage was assessed on the local industry's capacity to produce.

The director for Economic Development, Planning, Trade and Industry, Ratu Isoa Gavidi, said yesterday his department was finalising the new system and it was expected to be announced shortly.

"The new system will still protect local industry, but it will be done through tariffs charged on imports rather than by restricting the amount of imports coming in."

Although the tariff structure had not been finalised yet, it would be designed to provide healthy competition, he said.

"It will be based on giving local producers a margin in which they can compete and it will also mean they will have to watch their costs and produce more efficiently," he said.

The new system was also intended to get rid of local monopolies on some products.

"Some producers have had no competition before and the ideology behind it is to induce competitive industry," Ratu Isoa said.

He also saw long-term growth in exports for Fiji once the producer knew he could not rely on local markets alone.

"There will be greater benefit for the consumer," he said.

Consumers would have a greater choice of products to buy.

But Mr Ashby said the manufacturing industry would convert to importing once it could get the same product cheaper from overseas.

He said despite having higher tariffs placed on them, imported goods could still be cheaper.

"Even if tariff on Korean cement, for example, was 100 per cent, it would still be cheaper than cement produced locally," Mr Ashby said.

He said some imported canned vegetables, for instance, could be imported for less than it cost a local company to pay for an empty can.

"It is an international philosophy that by protecting industry at home they will become inefficient," Mr Ashby said.

But he said examples all over the world had shown that once imports were cheaper than local products governments had been quick to place restrictions.

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### Fiji Sugar Commission Says Sugar Market 'Intact'

42000165d Suva *THE FIJI TIMES* in English  
27 Nov 87 p 1

[Article by Anendra Singh: "Brighter Outlook for Sugar Sales"]

[Text] Fiji's sugar markets "are very much intact", the chairman of the Fiji Sugar Commission, Mr Gerald Barrack, said yesterday in Suva.

In an interview with *THE FIJI TIMES*, Mr Barrack said Fiji's major sugar buyers had been assured there were enough sugar supplies to meet quota demands of all preferential markets.

Mr Barrack has just returned from a trip to Hong Kong, Malaysia and London in a bid to secure sugar markets for Fiji.

He was accompanied by the managing director of Fiji Sugar Corporation, Mr Rasheed Ali, and the managing director of the Fiji Sugar Marketing Company Limited, Mr John May.

Mr May is in Japan meeting with officials to trade in Fiji sugar and molasses.

Mr Ali is expected to go to Canada and later fly to New Zealand on FSC business.

Mr Barrack said farmers would enjoy this year's 400,000-tonne sugar yield because of the good cane price.

"Brokers have predicted that the world market price of sugar is moving up and approaching US8 cents a pound," he said.

The world market price of sugar now fluctuates between US7 and 8 cents.

Mr Barrack said the New Zealand Government did not intend to review its contract for 57,000 tonnes of bulk sugar.

"But the New Zealand Government's topping up on the quota won't be affected with the rising world market price of sugar," he said.

Mr Barrack said the commercial deal on sugar to New Zealand was still intact.

The New Zealand Government's contract expires on March 31, next year.

"If the world market price continues to rise, then the government-to-government compensatory agreement would not be so critical to the sugar industry because the price would come up to the level given by the New Zealand Government," Mr Barrack said.

The African/Caribbean/Pacific quota, Mr Barrack said, would be fully met by Fiji.

The ACP quota of 175,000 tonnes under the agreement of the Lome Convention pays four times the world market price for Fiji sugar.

"We have assured them that we will be able to supply their quota in full this year and also have sugar available for the first shipment for next year's quota," Mr Barrack said.

The ACP's secretariat, Mr Barrack said, had confirmed that Fiji's quota was intact and would not be withdrawn or reduced.

"The British Ministry of Agriculture and Foreign Affairs in London also confirmed the British Government did not consider that any sanctions should be placed against Fiji and the industry."

The delegation led by Mr Barrack also met owners of a sugar refinery in Singapore to discuss sale of sugar to them in the future. Singapore was buying sugar from Fiji three years ago.

But now the Singapore Government-owned refinery has been bought by a private company, EDF Mann.

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### Trade Agreement Signed With Pakistan

42000153b Jakarta *ANTARA NEWS BULLETIN* in English 2 Dec 87 pp A5, A6

[Text] Jakarta, December 2 (ANTARA)—Indonesia and Pakistan have signed two special trading arrangement agreements to be valid for two years each valuing US\$ 20 million.

The agreements were signed here Tuesday evening by Syed Mohibullah Shah, leader of the visiting Pakistani trade delegation, on behalf of the Government of Pakistan, with Ibrahim Risyat, Chairman of PT Rexford Pratama, and Hashim S. Djojohadikusmo, President Director of Prima Comexindo Trading.

Under the agreements, Pakistan will import tea from Indonesia, and export its engineering goods and services, chemicals, textiles, handicrafts, agricultural and allied products to Indonesia.

Following the signing ceremony, Sukamdani S. Gitosardjono, general chairman of the Indonesian Chamber of Commerce and Industry (KADIN), said the trade agreements between Indonesia and Pakistan, the first ever made by the two countries, was a significant breakthrough for both states in a bid to enhance the existing trade ties.

The value of Indonesia's tea export to Pakistan at present reaches 10 million US dollars, and is expected to double by the next two years following the agreements.

So far, the shipment of Indonesian tea to Pakistan has been carried out via Australia, the Netherlands, Britain, Singapore and Hong Kong.

Pakistan has suggested to Indonesia to make direct shipment to that country so as to make the price of Indonesian tea more competitive.

Arriving here on November 27, 1987, the three-member Pakistani delegation held a series of meetings with the Indonesian parties with a view to increase the two way trade between both nations.

08309

### Electricity Company Signs Contract With French Firm

42000153e Jakarta *BUSINESS NEWS* in English 4 Dec 87 p 5

[Text] A contract between a French company, Compagnie de Construction Mecanique Sulzer (CCM Sulzer) and the Indonesian state owned electricity company, Perusahaan Listrik Negara (PLN) was signed here recently.

The project, which amounts to FF.105,949,000 (US\$ 18 million), is financed by the French financial agreements of 1983/84 and 1986 covering the total amount of the contract which includes the imported parts as well as the local parts.

The contract consists of a turn-key project for the extension of diesel power stations: In Pekanbaru, One 6 MW Generating set and associated auxiliaries; In Bantarmason, Two 6 MW Generating sets, associated auxiliaries and a 20/70 KV electrical substation, and In Samarinda, One 6 MW Generating set and associated auxiliaries.

Also included in this project are civil works, buildings and the training of PLN's operators and maintenance teams.

Established in 1918, CCM Sulzer is one of the largest diesel manufacturing companies in the world. This contract represents the continuation of this company's long standing cooperation with PLN. CCM Sulzer has already supplied 28 units of 6 MW Generating sets of the same type which have been installed in the Indonesian Archipelago and which are currently in operation.

All these generating sets will provide electricity to improve the development of regional industries as well as domestic welfare.

08309

### Official Says Scrapping of Old Ships To Continue

42000153a Jakarta *ANTARA NEWS BULLETIN* in English 1 Dec 87 p A 1

[Text] Jakarta, Nov. 30 (ANTARA)—The scrapping of old ships will be continued and exceptions will be given only under certain circumstances, Director General for Sea Communication J.W. Habibie told a parliamentary hearing here Monday.

In a recent working meeting with Communications Minister Roesmin Nurjadin most of the MPs present on the occasion asked the government to reconsider the regulation requiring the scrapping of ships older than 25 years.

They reasoned that the adverse effects of the scrapping would include the closure of more businesses, which inevitably would lead to unemployment, while PT Caraka Jaya is regarded as still being incapable of getting new ships in adequate number.

Director General of Sea Communication Habibie, meanwhile, admitted that the scrapping of old ships had led to a drop in the capacity of the merchant marine as a whole, but stopped short of hampering the smooth flow of goods.

He said the cargo space currently available was still sufficient for the existing cargo to be transported.

There was still 30 to 40 per cent of cargo space left on the national merchant ships, he said.

The government in implementing the scrapping policy is also careful enough not to reach a state in which Indonesia becomes short of vessels.

Habibie said further that he has the power to "slightly" violate the joint decree of the three ministers under circumstances in which Indonesia has become short of ships.

The Minister of Industry, the Minister of Communications and the Minister for Research and Technology had in principle banned the purchase of ships from abroad.

Until today 144 ships had been scrapped, but the existing cargo space was still sufficient, he said.

08309

#### Estimated 1987/88 Debt Service Ratio

42000153d Jakarta BUSINESS NEWS in English  
4 Dec 87 p 6

[Text] Governor of Bank Indonesia Dr. Arifin Siregar told House Commission VII here recently that Indonesia's debt service ratio (DSR) in 1987/88 was estimated at about 35%. He pointed out that the fall of export revenue and the appreciation of several foreign currencies were the main factors causing the sharp increase of the DSR.

He explained that Indonesia's export earnings fell by about 40 percent in 1987/88 resulting from the massive plunge of the oil price to US\$ 10/barrel in August 1986, which brought down the average price from US\$ 26.32/barrel in 1985/86 to US\$ 12.50/barrel in 1986/87.

The appreciation of several foreign currencies such as the Japanese yen, mark, franc, guilder and poundsterling against the US dollar has increased the value of Indonesia's external debts in various currencies if calculated in the US currency. If there was no price drop and no depreciation of the US dollar, the DSR would be 20 percent, Radius said.

In calculating the DSR, the World Bank and the International Monetary Fund (IMF) usually include service earnings, besides exports of commodities. If such a method is used, the Indonesian DSR is lower than what already announced so far, he said.

08309

#### Food Shortage in East Java Revealed

42130053b Jakarta KOMPAS in Indonesian  
3 Dec 87 p 9

[Excerpts] More than 21,000 residents of the southern part of Blitar county (East Java) need food subsidies. They are short of food because the planting season, following a very long dry season, is late in starting and because it is difficult to find other sources of income. In addition, the price of food has risen sharply.

It is estimated that the number of such people will continue to increase and that only 25 percent of the population will not be short of food. At the same time there were 100 uncounted families short of food in the village of Pasiraman. Drs Gunawan, head of social services in Blitar, acknowledged that the head count made by the local government was only provisional.

There has been no rain in this arid limestone area since March. A farmer named Wates figured that if it had started to rain at the end of August or the beginning of September, farmers could have planted corn in September and harvested it in December. But since it did not start to rain until 21 November there will be no harvest before the end of February.

9846

#### Logging Operations To Be Shifted to Irian Jaya

42000190 Port Moresby PAPUA NEW GUINEA  
POST-COURIER 4 Dec 87 p 19

[Article by Franzalbert Joku]

[Text] PNG's neighboring Indonesian province of Irian Jaya is set to become the focal point of the international timber community.

And inevitably these developments are almost certain to also attract the attention of environmentalist groups fiercely opposed to the present trend of deforestation around the world.

Indonesia, the world's largest wood exporter, wants timber companies to shift operations out of Kalimantan (Borneo) to Irian Jaya because of rapid deforestation, a REUTER news agency dispatched from Jakarta, quoting the Forestry Minister, says.

#### Heavy Toll

Speaking before a Cabinet meeting this week, Minister Sudjarwo said that fires on the world's third largest island have taken a heavy toll on the 17 million hectares of forest set aside for logging.

Instead, he said, Irian Jaya, Indonesia's eastern most province, has 41 million hectares of logging forest and almost all of it is unexploited.

More than 35 different fires broke out in Borneo in August and September during the prolonged drought, destroying several thousand hectares of tropical forest.

A forest fire that burned for nine months in 1982-83 during the last Borneo drought destroyed 3.6 million hectares, an area the size of Taiwan.

Mr Sudjarwo said his Government was still calculating losses from that fire.

Indonesia is encouraging the development of Irian Jaya. The resource-rich province is sparsely populated and covered with nearly impenetrable jungle.

Export earnings from the wood industry last year totalled K125 billion and the timber industry employed 650,000 workers in 1985, according to statistics.

#### Largest

Indonesia has 144 million hectares of forests, the world's largest after Brazil, encompassing more than half all rain forests in Asia.

About 60 per cent of Indonesia's timber production is from Borneo, where most of Indonesia's 300 saw mills and 100 plywood factories are also located.

Sudjarwo said the mills are under utilised and some should now be shifted to Irian Jaya.

/06662

#### Oil Explorations in Central Java Started

450015c Jakarta ANTARA NEWS BULLETIN in English 5 Dec 87 p A6

[Text] Semarang, December 5 (ANTARA)—The director of exploration and production of Pertamina, a state-owned oil company, officiated at the opening of oil explorative drilling in the North Central Java - A (NCJ-A) in Mangkang Kulon, here Friday.

Suyitno Padmosukismo said that before World War II Central Java had already been known as an oil-producing region.

After various studies in Java Pertamina's Third Unit of Exploration and Production has found 31 prospects of exploration in the north Central Java.

Pertamina's explorative activities in the north Central Java have been carried out with a fund assistance from the Java Oil Company (Colco), a group of Japanese investment companies.

In return for the assistance Pertamina has provided Colco with three sites of explorative drilling, namely the NCJ-A (Semarang), the NCJ-B (Batang) and the NCJ-C (Pemalang).

Suyitno said one of Pertamina's major tasks was looking for and producing oil for the national development.

08309

**Economic Changes After Reforms Discussed**  
42000191a Kuala Lumpur BUSINESS TIMES in English 4 Dec 87 p 8

[Article by Stewart Dalby: "Laos Loosens the Textbook Marxist Knot"]

[Excerpts] Vientiane—Two basic theories are held about Laos and its prospects by Western diplomats and employees in Bangkok and Vientiane.

The first has it that Laos is hopelessly locked in a poverty trap, badly run, dependent on foreign aid handouts and likely to remain so.

The second view is that, if the political system were to show some flexibility and the ageing Communist leaders continued to follow the mild reformist path of the past couple of years, then Laos could become largely self-sufficient and a comfortably-off country, if not a rich one.

Landlocked, largely mountainous Laos, which is about the size of Italy but has only 3.5 million people, remains one of the poorest countries in the world, with a per capita income of about US\$135.

Put in the simplest Mr Micawber-like terms, Laos last year had exports of some US\$58.5 million, over half of which came from one source—the sale of electricity to Thailand from a hydroelectric plant on the Nam Ngong river. The deficit on current account is estimated to be US\$104 million, which appears to have been covered by unspecified capital inflows put at US\$111 million, including errors and omissions.

All figures are highly tentative, culled from a variety of sources including the World Bank and the United Nations Development Programme.

One of the "omissions" is likely to be the sale of drugs. Both Thai officials and US narcotics investigators in Bangkok have accused some sectors of the Lao Government and armed forces of taking part in a renewed drugs trade.

#### Devastated Economy

If one leaves income from drugs out of the reckoning, Laos would seem to be getting about US\$100 million in foreign aid and loans. Of this, probably US\$40 million comes from the non-Communist bloc, including the World Bank, the Asian Development Bank, Australia, France and Japan.

Happiness, therefore is the continued flow of US\$100 million a year. But is it possible to foresee a day when Laos will be able to dispense with this aid?

With the American withdrawal from Indochina, the economy collapsed completely, sending tens of thousands of refugees across the Mekong river into Thailand.

The men who took over Laos in 1976—and many of them are still there—were not fanatics like their counterparts in neighbouring Kampuchea. There was no wholesale forced resettlement and little evidence of mass executions or religious persecutions. In fact, a number of the politburo are said to be practising Buddhists.

The hardline leaders, like Mr Kaysone Phomvihane, the general secretary of the politburo and prime minister, and Mr Phoumi Vongvichit, the acting president and number four in the politburo, had been fighting in the hills a long time and had virtually no experience of government. Orthodox Marxists, they took a number of textbook decisions which in retrospect seemed inappropriate.

#### Illegal Logging

Gradually, the decisions have been reversed. Market trading was allowed by 1980. Today, the central market is crammed with food and basic necessities, if not luxuries, and traders are allowed to cross into Thailand on buying missions. Membership of cooperatives also became voluntary in 1980. Last year, production of 1.5 million tonnes, Laos was self-sufficient in rice.

The liberalisation is likely to go further. Eight economic enterprises were allowed to experiment with various reforms in 1985. Managers were given decision-making powers; enterprises had to cover their costs; piece work and bonuses were allowed.

Discussion of the second five-year plan (1986-90) by the central committee included talk of extending the experiment and I heard of several joint ventures making small industrial products which were allowed to operate on a commercial basis.

The UNDP report estimates that Laos is producing 200,000 cubic metres of timber, compared with a potential of 2 million cubic metres, although there have been problems with illegal logging and deforestation because of the hill tribes' slash-and-burn culture.

The report also says there is an estimated 1 billion tonnes of high-grade iron ore (60 to 70 per cent) in Zieng Khoung province, which the Japanese are reportedly anxious to exploit.

A lot needs to be done, particularly in opening up communications, but the Lao are showing every sign

of welcoming more development aid. The Americans have lifted their ban on aid to Laos. If the Lao can overcome their nervousness about security, they might also develop a lucrative tourist industry.

It is not difficult to envisage the day when the country, with no population problems and enough water and land to feed itself, could become self-sufficient.—"T

/06662

**Editorial Views U.S. Bases in Philippines**  
42050008e Kuala Lumpur NANYANG SIANG PAU in  
Chinese 19 Nov 87 p 2

[Editorial: "U.S. Military Bases in the Philippines—To Go or To Stay"]

[Text] This week, while touring Thailand, Malaysia and Singapore, Australia's Defense Minister Beazley implored Southeast Asian countries to recognize the importance of U.S. military bases in the Philippines and encouraged President Corazon to renew the agreement after the treaty on U.S. bases expires in 1991. As the six member countries of the ASEAN organization are scheduled to hold a summit in Manila in the middle of next month, the visit and remarks of the Australian defense minister carries a great lobbying significance.

The main consideration to Beazley's view is, of course, the security of Australia itself which principally relies on the Australia-New Zealand-U.S. [ANZUS] Defense Treaty. However, as the New Zealand labor government is bent on having its own way of adopting a non-nuclear defense policy, a loophole has manifested itself in the tripartite defense arrangement. Furthermore, as public opinion against a nuclear defense policy is rising within Australia, the Hawke government naturally does not hope the issue of U.S. bases in the Philippines to be utilized by anti-U.S. forces for their own purposes.

Philippine Foreign Minister Manglapus, who is on a visit to Indonesia, indicated the other day that the ASEAN summit next month will not discuss the prospect of U.S. military bases. Early this month Manglapus made a tour to various ASEAN member countries mainly to make all necessary arrangements for the coming summit, amid private hints by officials of ASEAN countries to the effect that should the political and security conditions were unstable, the Philippine Government would hopefully take the initiative for postponing or changing the location of the planned summit meeting.

According to press speculations, Manglapus once asked ASEAN member countries to express their opinions on the problem of the future of U.S. military bases. If so, this view coincides with his standpoint before he became foreign minister. Manglapus has always thought that ASEAN member countries should speak out their minds on whether U.S. bases should go or stay, and even should jointly bear a political responsibility, instead of letting the Philippines alone decide on the bases prospect and their political consequences.

Manglapus' standpoint is quite reasonable and, as a matter of fact, ASEAN member countries generally admit that they have indirectly been enjoying benefits from the presence of the two U.S. military bases in the Philippines. But the treaty for the bases is after all a bilateral-relations problem between the Philippines and the United States, and that's why this problem cannot be formally listed on the agenda of the ASEAN summit.

Among its member countries, Singapore is the only one that openly welcomes the continued presence of U.S. forces to counterbalance the growing military strength of the Soviet Union in the Southeast Asian region.

It would not be politic for ASEAN member countries to express their views publicly. Another reason is that ASEAN's collective security standpoint is that, hopefully, a peaceful, free and neutral region can be established in Southeast Asia. This obviously contradicts the presence of any military alliance. A recent report said that the United States is exerting pressure to the Philippines to find ways and means to transform the ASEAN setup into a military alliance. This way of doing things is rather naive, and it can only meet with ASEAN's strong opposition, because the formation of the ASEAN organization was based on economic cooperation (and not for a military alliance).

During the latter days of Marcos' rule, seeing the unstable political situation and the long-standing communist rebellion in the Philippines, the Reagan administration did intend to move the U.S. bases there to some other place in the Pacific region. After President Corazon assumed power, although the political situation has changed considerably, Washington remains unoptimistic toward the future of the U.S. bases after the expiration of the defense treaty in 1991. To take precautions against the possibility of the Philippine Government requesting U.S. forces' withdrawal as the outcome of the forthcoming Philippine-U.S. negotiations next year, Washington is at present looking for a substitute venue for the bases.

The Clark Air Force Base and the Subic Bay Naval Base are the United States' largest military bases outside of U.S. territory, strategically controlling the selanes between the western Pacific and the Indian Ocean. Soviet Russia, after the conclusion of the Vietnam War, obtained the controlling rights to Cam Ranh Bay; Gorbachev, after wielding power, unfolded his smiling diplomacy toward various countries in the southern Pacific. That is why these two U.S. military bases without doubt hold major strategic significance in controlling the Soviet Pacific fleet from extending to the south.

The ASEAN member countries are located between the Pacific and Indian Oceans. Malacca Strait and Sunda Straits directly fall under the protective umbrella of the U.S. bases in the Philippines. Consequently, apart from showing concern privately over the future of these U.S. bases, it will do no harm if ASEAN member countries speak out whether these bases should stay or go, all the more so, because their views would be welcomed by the "victim" of the problem, the Philippines. After all, assuming an absolutely neutral stance concerning defense has its own latent dangers, as attested when ASEAN had "safety" in mind when dealing with the Kampuchea situation. President Corazon should make

good use of the forthcoming ASEAN summit by heeding the unofficial opinions of friendly leaders during private talks concerning the future of U.S. military bases in the Philippines.

9300/9604

**PRC's CATIC Delegation Visit**

42050008f Kuala Lumpur NANYANG SIANG PAU in Chinese 17 Nov 87 p 5

[Excerpts] At the invitation and by arrangement of the All-Malaysia Chinese Chamber of Commerce, a 3-member delegation of the Fujian branch office of the China National Aero-Technology Import and Export Corporation [CATIC] arrived here last Saturday on a tour of Kuala Lumpur, Penang and Malacca. The delegation is led by CATIC General Manager Liu Youchang and its members are Wang Li-yun, company manager/engineer, and Miss Chen Meiying of its import-export department. The purpose of the visit is to make contacts with factories and firms of similar enterprises and to probe into the establishment of trade and technological exchange relations.

9300/9604

**Editorial on Dropping Philippine Claim to Sabah**

42050008c Kuala Lumpur NANYANG SIANG PAU in Chinese 13 Nov 87 p 2

[Editorial: "The Philippines Renounces Claim, Redesignates National Boundary"]

[Text] Philippine Foreign Minister Manglapaus disclosed that his government is redesignating its national boundary, and this move will bring about a solution to the problem of the Philippine claim of sovereignty over Sabah. Our foreign minister, Datuk Abu Hassan, has welcomed this policy of the Philippine Government and reaffirmed our hope that a final agreement will be reached before the ASEAN summit scheduled for mid-December in Manila.

According to foreign press reports, the bill for the delimitation of the boundary line will be presented before the Philippine Congress this week to be put to the vote. Manglapaus expressed hope that this bill would become law before the ASEAN summit meeting. Since its inauguration in February last year, the Corazon government has all along promised that the territorial dispute would be solved through peaceful negotiations, a promise also welcomed by our government. Renouncing a territorial sovereignty requires certain legal procedures, and the latest legislative policy of the Philippine Government may be described as its first concrete measure toward the reaching of a speedy solution to this problem.

The Third ASEAN Summit to be held in the middle of next month will lay particular emphasis on discussions for economic cooperation plans, but this requires a

strong collective political will as the foundation. If territorial disputes exist among member nations, even though of a latent nature, it is bound to act as a serious psychological obstacle to the ASEAN political solidarity. Therefore it would be a wise move to remove this stumbling block before the summit convenes.

In June last year, when the Committee to Draft a New Philippine Constitution completed its work, many members opposed the proposal to incorporate Sabah into the Philippine national boundary. However, when the draft of the New Constitution was eventually passed in a national referendum in January this year, its definition on the national boundary remained extremely vague, giving an impression that the Philippines may still bring up the question of sovereignty over Sabah. President Corazon, faced with challenges concerning the legality of her state power, eagerly accepted the new constitution and apparently showed little concern over the vague territorial delimitation and the problem it entails.

When Philippine Vice President/Foreign Minister Laurel visited Malaysia in August this year, he promised to Prime Minister Dr Mahathir for the first time that the Philippines would take concrete measures for the renunciation of territorial claim over Sabah; last week, when the new Philippine Foreign Minister Manglapaus stopped over in Kuala Lumpur in the course of his tour to Malaysia, Thailand and Singapore in preparation for the ASEAN summit, he also reaffirmed this promise. Up to now the Philippines has not delivered an official diplomatic note to our country, but if Manila is really sincere, verbal comments by leaders of government at the present phase is already satisfactory and comforting.

Whoever started the trouble should end it, so says an adage. The present Philippine Government has pushed forward concrete legal procedures which lead to the first step to solving this problem in a formal way. But then, in their talks recently Philippine Vice Foreign Minister Inglesio and Senate Foreign Relations Committee chairman Mrs Shehani Leticia put the territorial claim issue and other bilateral problems on the same footing, thus giving an impression that this point is still open to question.

Mrs Leticia believes that before the Philippines formally relinquishes its claim to Sabah, Malaysia should make certain concessions, while Inglesio adds that the Philippine renunciation is conditional on Malaysia's promise to carry out joint patrol activities along the border. The Philippines requested our government to help solve the rebellion in the southern part of the Philippines and curb the rebels from smuggling arms into the country via Sabah. The geographical location of Sabah is such that it has an impact on the security situation on Mindanao island in southern Philippines. But on the other hand it causes our government to increase its responsibility to accommodate refugees in large numbers indefinitely.

Between the southern Philippine rebellion and the Sabah refugees, which is the cause and which is the effect—public opinion in various countries vary. It would not be appropriate to regard these problems as an exchange condition for the relinquishing territorial claim. As a friend and neighborly ASEAN partner of the Philippines, Malaysia's attitude toward its handling of the local rebellion has always been full of understanding, and it once offered its good offices for a reconciliation through international forums. Malaysia's attitude toward the execution of joint border patrolling is a clearcut one, and the Philippine promise to renounce its claim to Sabah should be equally clearcut too.

0300/9604

#### **Philippine Draft Bill on Payment To Drop Sabah Claim**

42130046a Kuala Lumpur BERITA HARIAN in Malay 30 Nov 87 p 1

[Text] Manila, 29 November (Bernama)—A draft bill has been presented in the Philippine Parliament which calls for Malaysia to pay \$3.2 billion (M\$8 billion) to the Philippines in compensation for dropping its claim to Sabah.

The draft bill, which was jointly drafted by 14 members of the Philippine Parliament under the leadership of Jose de Venecia, a government deputy, calls on President Corazon Aquino to discuss the draft compensation bill with Dr Mahathir Mohamad, prime minister of Malaysia, who will attend the Third ASEAN Summit Meeting in Manila, to be held from 14 to 16 December.

#### **Joint Approach**

According to de Venecia, Malaysia may pay this compensation as follows:

—Pay \$1.5 billion (about M\$3.75 billion) in cash over a 5 year period at a rate of \$300 million (about M\$750 million) per year or pay the same amount of money in the form of crude oil produced in Malaysia;

—Sell crude oil valued at \$1.5 billion on a credit basis, which will be repaid by the Philippines over a period of 30 years, at an annual interest rate of 2 percent, including a further period of 10 years for the repayment of the original, basic cost; and

—Pay \$500 million (about M\$1.25 billion) in cash to the heirs of the sultan of Sulu, as well as refining the crude oil sold to the Philippines.

De Venecia said that this payment of compensation would be "very simple," but it would help meet the losses which will be suffered by the Philippine Government in the future, as a result of the loss of a national asset and all of the royalty payments from the production of petroleum, tin, timber, and fish in Sabah.

The draft bill was presented by the de Venecia group when President Aquino was preparing to meet with leaders of the Senate and House of Representatives to reach a joint agreement on completing the draft of Senate Bill No 206, which excludes Sabah from the territory of the Philippines.

Among those who will be invited to attend the meeting are Jovito Salonga, president of the Senate; Ramon Mitra, Jr., speaker of the House of Representatives; and Minister of Foreign Affairs Raul Manglapus.

Meanwhile, Sultan Jamalul Kiram III, who claims to be the sultan of Sulu, said that draft Senate Bill No 206 is insulting to the Sultanate of Sulu and to the Islamic people of the Philippines.

The draft bill was introduced by Senator Leticia R. Shahani.

Sultan Kiram said that the government has no authority to abandon the claim to Sabah because the heirs of the sultan of Sulu "have withdrawn and cancelled the power of attorney which they previously gave to the Philippine Government to claim rights of sovereignty over Sabah."

He declared at a rally on 28 November that the legal agreement signed on 11 September 1962 by the Philippine Government and the heirs of the sultan of Sulu is null and void.

According to Ramon T. Lim, the attorney for Sultan Kiram, the heirs of the sultan sent an official letter to President Aquino several months ago, stating that the power of attorney given to the government in the past has been withdrawn.

The power of attorney given to former President Ferdinand Marcos in 1977 is also null and void, he said.

Lim said that a copy of the letter to President Aquino was sent to Doctor Mahathir, prime minister of Malaysia.

Sultan Kiram took an oath that he and hundreds of other heirs of the sultan of Sulu would oppose the draft legislation.

He said that the heirs would lobby both the Senate and the House of Representatives to prevent the passage of the bill.

He repeated his previous call to resolve his group's claim to Sabah through the OIC [Organization of the Islamic Conference], based on Islamic law.

05170

**Penang Island To Become Base for Taiwan Fishermen**  
42130045a Kuala Lumpur BERITA HARIAN in Malay 27 Nov 87 p 1

[Text] Georgetown, 26 November—More than 300 shallow water fishing boats from Taiwan which are carrying on fishing activities in the Indian Ocean will make use of the Batu Maung fish landing center in the near future as a base for unloading their catch, beginning in January 1988.

The boats will make about 800 landings per year, and the fish which will be unloaded will amount to 400,000 tons annually, or 30 percent of the total fish catch of Taiwan, that is, 1.2 million tons annually.

The boats which will land here measure between 160 and 700 tons.

Tsai Ting-Pang, chairman of the Fishermen's Association of Kaohsiung, Taiwan, said that at the present time the boats are based in Singapore, and the selection of Penang Island as a new base is due to the fact that it is more suited to their needs and has greater potential.

According to him, when the fishermen come into port here, their families will come from Taiwan to spend about 2 weeks with them, until they again put out to sea to catch fish.

He said that the agreement between his association and the State Government of Penang is basically encouraging because assurances have been given that the fishermen will receive various forms of facilities, including modern, air conditioned quarters at Batu Maung and a place to repair their ships and process their fish.

Tsai made this statement at a press conference after meeting with Dr Lim Chong Eu, chief minister of Penang; Dr Ibrahim Saad, chairman of the State Agricultural Board; members of the State Council for the electorates of Batu Uban, Puan Khee, and Phaik Cheen; and a number of senior government officials in Georgetown on 26 November.

Tsai, who is also chairman of the Taiwan Shallow Water Fishing Association, chaired a nine member delegation visiting this country.

The other members of the delegation were: Lee Chyan-Show, chairman for administration of the Fishermen's Association of Kaohsiung; Hsin Jung Ping, a director of the Shallow Water Fishing Association; Cheng YiuChing and Tsai Wen-Cheng, directors of a shore fishermen's association; Wu Jung Chiang and Tso Chu-Pin, inspectors from the Center for Livestock and Fisheries; and Hinson Yang, secretary of the Fisheries Service, which is based in Singapore.

Tsai said that the main reason why Penang Island was chosen as a new base is because the fishermen can save 4 days of fishing time, compared with when they use Singapore as a base.

Tsai stated: "The round trip to the Indian Ocean from Singapore takes 4 days, and we lose 9 tons of fish each day. If we are based in Penang, we can sail continuously."

He said that when they are based here, half of their fish catch may also be shipped straight through to Thailand.

Tsai also provided assurances that his group would be prepared to provide guidance and on the job training to local fishermen.

05170

**New Ploy To Avoid Arrest Used by Thai Fishermen**

42130045b Kuala Lumpur BERITA HARIAN in Malay 28 Nov 87 p 1

[Article by Saodah Elias]

[Text] Kuala Lumpur, 27 November—Thai fishermen are now painting their boats with the same colors as boats of the K & I (Malaysia) Company, Limited, the local fishing association, to avoid being arrested by the Malaysian authorities when they violate the territorial waters of this country.

Sanusi Junid, minister of agriculture, said that in addition to the same colors, they are using the same boat serial numbers as those used by the K & I Company, which cooperates with Thailand in the shallow waters fishing area.

He said: "I have received many complaints about this matter. However, up to now there have been no arrests involving boats with the same color and serial numbers as K & I boats."

He said to a reporter in his office on 27 November: "We became aware that this trick was being used when the authorities received a complaint that many of these Thai boats were using the same color and serial number as K & I boats but did not have the same mark which has been placed on every boat belonging to the K & I Company."

All K & I boats have a mark on their bows to distinguish them from other Malaysian fishing boats, which also engage in shallow water fishing, using boats purchased from Thailand.

In any case, not all local fishing boats bought from Thailand have the same serial number as boats used by K & I.

He said that in dealing with this problem, apart from increasing patrols, his group will not issue new licenses to fishermen who use Thai boats.

He said that the appearance of many Thai boats in Malaysian waters not only confuses the situation at sea, particularly in shallow waters, but makes it increasingly easy for Thai fishermen to find new ways of acting in an aggressive way.

Regarding cooperation between the Penang Fishermen's Association and the Taiwan Fishermen's Association, the minister said that he had only referred to the use of fish landing centers in this country.

He said that Taiwan fishermen must catch their fish in the Indian Ocean. They are not permitted to fish in the Malaysian Exclusive Economic Zone (EEZ).

#### Joint Ventures

He also declared that as of now his ministry has no plans to develop joint ventures with foreign fishermen in the shallow water fisheries area.

He stated that shallow water fishing operations by the K & I Company did not involve any kind of joint venture but merely cooperation between this country and Thailand.

Meanwhile, Sharom Majid, chairman and director of the Office of Fisheries, said that more than 100 foreign fishing boats have been seized because they have violated the territorial waters of this country since Operation Wet Monsoon was launched in November.

As of 27 November, 26 foreign boats had been arrested during the month for violating the territorial waters of this country, compared with 11 boats arrested during all of October.

The minister said that it is estimated that this total will increase in the next 2 or 3 days, because large-scale patrols are being carried out.

According to the minister, with the most recent arrests on 26 November the total number of foreign fishing boats detained so far in 1987 totals 84.

He said: "Large-scale patrols have been undertaken because the Office of Fisheries is aware that more foreign fishermen will violate Malaysian territorial waters during the wet monsoon season."

#### Increased Trade With Communist Countries Noted

42130051a Kuala Lumpur UTUSAN MALAYSIA in Malay 5 Dec 87 p 2

[Text] Kuala Lumpur, 4 December—The House of Representatives was told on 4 December that the number of businessmen and visitors from countries of the communist bloc who come to Malaysia to find trade opportunities and to become better acquainted with the open visitors' policy sponsored by Malaysia.

Dr Abdullah Fadzil Che Wan, deputy minister of foreign affairs, said in reply to a question that it is believed that under this policy more businessmen from the countries concerned will come to Malaysia.

In answer to a followup question from Ibrahim Azmi Hassan (National Front from Kuala Nerus), he said that, for example, businessmen from the People's Republic of China are sending more trade delegations to Malaysia to look for trade opportunities.

In reply to a followup question from Ghazali Ahmad (National Front from Jerai) he said that the number of Malaysian businessmen visiting countries of the communist bloc was at a satisfactory level, but it needed to be increased, because most commodities produced by Malaysia are not purchased directly by those countries.

Previously, when he was answering a followup question from Ibrahim Azmi, he said that the government did not give blanket permission to the people to visit countries of the communist bloc, without specific reasons.

In response to an original question from Shahidan Kasim (National Front from Arau) he said that Malaysia followed a policy of having good and useful relations with all countries, without consideration of their system of beliefs or ideology, with the exception of South Africa and Israel.

According to him, Malaysia is ready for closer cooperation with countries of the communist bloc, such as the Soviet Union, the People's Republic of China, Cuba, and the socialist countries of Eastern Europe if they show a more positive attitude toward security issues and international political and economic questions considered important by this country.

Regarding Taiwan, he said that relations with that country in certain areas, such as trade, tourism, and agriculture, will continue to be developed or increased for the interest and benefit of the people.

**Mahathir Calls for Upgraded Agriculture, Fisheries**

**Global Marketing Urged**

42130048 Kuala Lumpur *UTUSAN MALAYSIA* in Malay 3 Dec 87 p 1

[Text] Kuala Lumpur, 2 December—Datuk Sri Dr Mahathir Mohamad would like the agriculture and fisheries sectors to consider developing products and activities that are commercially viable in order to penetrate global markets.

The prime minister said as long as these sectors operate on a small scale and in a traditional fashion, they will not grow into big and sophisticated industries. They must, he asserted, act along the lines of "thinking big" and use a national approach in their management of these businesses and a global approach to marketing.

Speaking at the National Agriculture Night held here today, Datuk Sri Dr Mahathir felt one of the reasons why these sectors (except for rubber and palm oil) were less than successful was that they did not operate at a commercial level but only for their own food requirements.

"The majority of our agricultural efforts are small scale and are not modeled after estates such as the rubber, palm oil, and coconut palm estates that clearly benefited from following this model," he said.

Malaysia, he said, has a population of about 16 million, and the majority reside in large cities that no longer are circled by vegetable gardens but by factories and rubber and oil palm estates.

According to the prime minister, these 16 million people need a regular and adequate source of food and since we are aware of this, a large and sophisticated industry must provide this food. Small-scale livestock holdings, farms on small lots, and fishing from small boats, he said, can no longer serve these requirements. The prime minister added that the requirements of such a modern and large population mean that those who farm in a traditional way are no longer capable of meeting their responsibilities as suppliers. "We need a large and modern agricultural industry. Unfortunately, if modern agricultural methods replace traditional methods, farmers as well as fishermen who operate in a traditional way will lose their incomes. This is our dilemma," he said.

Nevertheless, Datuk Sri Dr Mahathir noted, the truth of the matter is that we must admit that if we want to export agricultural products, we cannot possibly succeed in this effort as long as the traditional agriculture system is maintained. He drew attention to the public's expressed concern over the fate of the fishermen. However, he said, even though we shed tears of blood and cry for a thousand years, we cannot lessen their poverty if they continue to use traditional fishing methods.

The prime minister also warned the people not to assume that replacing traditional with modern methods alone would bring success. Adequate preparations had to be made to make these changes succeed.

"We need trained persons, especially those trained in management, because we can only be successful if we use an organized and fully prepared approach," he said. He maintained that we no longer wanted a class of "peasants" in a modern Malaysia, and for this to become a certainty depends on clever farmers and fishermen leaders finding a way to make needed changes without disregarding the interests of traditional farmers and fishermen. According to the prime minister, now is the time to make changes since there are so many people with a higher education who are unemployed.

Touching on the animal husbandry field also, he felt it was not impossible for our country to produce all kinds of meat for daily requirements and export. Meat production, he said, was not restricted to that which came from chickens, ducks, goats, and cows but also included that which could be produced from deer, rabbits, sheep, and perhaps also from turkeys. He hoped those involved directly with agriculture and fisheries would create a political goal to be reached in the national development process for these important sectors.

**Obsolete Practices Penalize' Fishermen**

42130048 Kuala Lumpur *UTUSAN MALAYSIA* in Malay 3 Dec 87 p 1

[Text] Kuala Lumpur, 2 December—Prime Minister Datuk Sri Dr Mahathir Mohamad said those who maintain traditional fishing methods actually penalize the fishermen.

"People who are too sympathetic with those who fish in a traditional way actually prevent them from making progress," he said at the National Agriculture Night held here this evening.

He felt the sooner fishermen accepted modern methods and changed their way of fishing, the faster their lives would improve.

Earlier he called attention to the fact that the public had often expressed their concern about the fate of the fishermen because they, as a group, were the very poorest people.

"Unfortunately, we can weep tears of blood, we can cry for a thousand years, but we shall not be able to lessen their poverty as long as they keep on using ancient fishing methods and restrict their operations to rivers and the coasts of this country," the prime minister said.

**Amendments to Police Act To Ensure Peace Revealed**

42130051b Kuala Lumpur *BERITA HARIAN* in Malay  
5 Dec 87 p 4

[Text] Kuala Lumpur, 4 December—Dr Mahathir Mohamad declared that the amendments to the Police Act are intended to establish a state of vigilance which will have a greater impact on associations, meetings, and gatherings in Malaysia.

When he presented the draft of this bill in the House of Representatives, he said: "It is also aimed at ensuring that the police will act more quickly in protecting public order and national security."

The prime minister said that on the basis of police experience there are several weaknesses in the provisions of the Police Act which make it impossible for the authorities to act effectively against those who violate the law.

He said: "Under the law presently in effect, a person responsible for establishing a public association cannot be charged and only the person holding the permit for a meeting can be charged."

According to the prime minister, the punishments which may be applied to a person who is found guilty are too light. This may strengthen an ethnic group to use demonstrations as a weapon to advance its interests.

He said that weaknesses in the existing law are being used by groups prohibited from holding a meeting in a public place to propose holding the meeting in their own premises and, by using loudspeakers, the statements and remarks which are made can be heard by people outside such premises.

He said that the government was aware of those weaknesses and was convinced that this problem could be resolved quickly, so that public security and order could continue to be protected.

According to the prime minister, the amendments to the Police Act give authority to any police officer to make a decision on an assembly, meeting, or gathering held in a public place. At present this authority is only held by senior police officers of the rank of inspector or above.

**Crimes**

The prime minister also informed the House of Representatives that the amendments to the Police Act are intended to make it a crime for any person to attend any assembly, meeting, or gathering for which a permit has not been issued.

He said that persons involved in calling, bringing together, or organizing an assembly, meeting, or gathering without a permit have also committed a crime.

He said: "These amendments have been prepared with the objective of ensuring that persons implicated in such activity are not immune from legal proceedings."

In addition, according to the prime minister, by these amendments all persons who are leaders of any group involved in holding a prohibited meeting have committed a crime, except if they can prove that they did not know about the assembly, meeting, or gathering which is being held.

Doctor Mahathir said that the punishment for violating the Police Act will also be raised from 500 to 2,000 Malaysian dollars (at a minimum), and the maximum fine will be 10,000 Malaysian dollars, with the jail term raised from no more than 6 months to 1 year.

**How To Deal With Crimes?**

All leaders of any group involved in holding a prohibited meeting commit a crime, unless they can prove that they knew nothing about the assembly, meeting, or gathering held.

This is provided for in the Police Act (Amendments) bill introduced by Prime Minister Mahathir Mohamad on 4 December in the House of Representatives. The prime minister is also minister of home affairs.

Whatever the case, a person present at an assembly, meeting, or gathering who truly did not intend to take part may use this defense. This is provided in Subsection 5C, Paragraph 3(g), of the Police Act. This paragraph also contains two other subsections: 5A and 5B.

Subsection 5A provides that an accused person may not use the defense that he did not know that the assembly, meeting, or gathering was prohibited.

The amendments to the Police Act also provide that it is a crime for any person to attend any assembly, meeting, or gathering for which there is no permit.

Under Paragraph 3(f), it is provided that persons involved in calling, assembling or holding any assembly, meeting, or gathering for which there is no permit are also guilty of a crime.

The amendments were prepared to ensure that persons involved in such activities are not immune from legal action.

**Requests**

Requests to hold a meeting must be made by an organization or by three persons, and no longer by just one person.

Paragraph 4 also provides that the police may stop any activity being carried on in a private place if it is learned that the assembly, meeting, or gathering will harm public security and order.

The police may also disperse persons who have collected outside a private residence if they exceed 20 in number. The police are given the power to use credible force if the persons who have collected together do not disperse.

In addition, the amendments to the Police Act also give authority to the police to order any assembly, meeting, or gathering in a public place to be stopped or continued. At present this authority is only held by senior police officers of the rank of inspector or above.

Regarding punishments for the crime of violating this law, the amendments to the Police Act provide that the minimum fine shall be 2,000 Malaysian dollars and the maximum shall be 10,000 Malaysian dollars, while the jail sentence will not exceed 1 year.

The present penalty provides for a fine of no more than 500 Malaysian dollars or a jail term of no more than 6 months, or both.

05170

#### Government, Academicians View Islamic Confrontations

##### Possibility of Uprisings Reiterated

42130033a Kuala Lumpur UTUSAN MALAYSIA in Malay 11 Nov 87 p 4

[Text] Kuala Lumpur, 10 November—Datuk Dr Abdul Hamid Othman, director of the Islamic Affairs Section of the Prime Minister's Office, today reiterated the government view that it does not exclude the possibility that Islamic uprisings can occur in this country.

On the other hand, Datuk Dr Abdul Hamid said the government will implement Islamic laws in stages because such implementation cannot be done abruptly.

"This does not mean we reject or are reluctant to accept Islam in toto," he said when he met with reporters after closing the Seminar on Islamic Thinking held at the University of Malaya here.

He made these remarks when he was asked to comment on one of the resolutions passed at this seminar, which stated that the government was reluctant to accept Islam in toto.

This resolution reads in part as follows, "Other than ignorance on the part of its adherents, the biggest challenge faced by the Islamic movement is the reluctance of the government to accept Islam in toto."

Earlier, in his speech, the director recommended that discussions of Islam should be held only by those who were permitted to do so.

This should be the rule, he said, because certain unacceptable discussions have been held before the public.

"The public is incapable of discussing this matter so let only those capable of discussing this matter do so, in the public interest.

"The public perhaps lack sufficient knowledge of the concepts being discussed," he explained.

Regarding the role of Islamic thinkers, Datuk Dr Abdul Hamid explained that scores of years prior to independence in this country, ulemas fanned the fires of independence through poetry, songs and speeches on losing one's chains.

"Now, although we are independent, that spirit must continue to be fanned," he said.

He drew attention to the fact that no one in this country subscribes to a movement that attempts to destroy what was achieved by the ulemas in the past.

"No matter what reason is presented for modernization, we must go back to studying the sources that were left for us by the early ulemas," he said.

##### Attempts To Destroy Islam Charged

42130033a Kuala Lumpur UTUSAN MALAYSIA in Malay 11 Nov 87 p 4

[Text] Kuala Lumpur, 10 November—Two local academicians today charged that the European colonialist powers authorized the use of intellectuals and reporters to destroy the Islamic movement in areas that were under the influence of Islam.

The destruction was accomplished by way of unfounded accusations of the leaders, saying that what they did conflicted with Islam.

According to the academicians, this was done through speeches, writings, and other things. For the Europeans, religious and intellectual divisions and opposition in groups of Muslims were advantageous for perpetuating and extending political and economic dominance over Muslims.

Mr Zakaria Daud Ali and Mr Ahmad Zaki Haji Ibrahim, both of whom are professors at the Islamic Academy, University of Malaya, wrote of this in their paper entitled, "Muhammad Abdul Wahab and His Influence on Faith and Politics in the Islamic World," presented at the Seminar on Islamic Thinking here today.

According to these writers, the European colonialist powers eagerly participated in all Muslim awareness movements that were influenced by the Salapiah Islamic movement.

Again they said, the powers involved also founded a secular school system and reformed it as well as attracted the interest of the Muslims of that generation.

They said by offering good positions in the secular school administration, there would be less interest in religious schooling.

The professors added that the colonial powers involved also tried to start political and religious movements that competed with the Islam Movement, such as the Kodiani and nationalism movements which were based on Western thinking.

"This was done to turn Muslims away from uniting on the basis of the doctrine of one God and the belief in Islam and its values to a way of thinking which is totally foreign to Islam," they said.

They also said that these powers opposed the Islam Movement with political and military power.

6804/12223

**Lim Keng Yaik Comments on Racial Polarization**  
42050008d Kuala Lumpur NANYANG SIANG PAU in Chinese 14 Nov 87 p 8

[Text] The minister of primary industries, Dr Lim Keng Yaik, said that the principal cause of racial polarization is to get support for racist politics by playing up racial sentiments, which cannot bring any good to the people. He added that basically Malaysians yearn merely for a peaceful and stable environment to live and work in contentment, and it is obvious that such aspirations cannot be realized through racist politics.

He pointed out that at this very moment all of us should adopt a more earnest attitude in striving for the people's rights on the basis of non-racial politics, fundamental social contract (such as the federal constitution), state principles and other Malaysian values. To sincere believers in non-racial politics, rights of various ethnic groups constitute a part of basic civil rights.

Dr Lim Keng Yaik was delivering a speech at a dinner party sponsored by a certain Chinese civic association at Perak.

He said that on 28 October our prime minister gave a brief but thought-provoking message before Parliament, in which he proclaimed a prohibition of all political meetings, including the rally organized by the United Malays National Organization [UMNO] scheduled for 1

November. If this UMNO mass meeting to mark the party's 41st founding anniversary were held as planned, it would certainly attract tens of thousands of people.

"At the same time, the prime minister announced the detention of 63 public figures suspected on fanning racist emotions on the strength of the Internal Security Act [ISA]. The number of detainees has increased to more than 90 by now.

"In the wake of the prime minister's announcement prohibiting the UMNO rally, the tense fear of a possible open racial conflict pervading the entire country was broken. If a racial conflict had unfortunately broken out, all past efforts at achieving national unity would have been lost in one night. Furthermore, our gradually growing economy would have slumped, the people badly hurt materially and spiritually and the moonlight over Malaysia would not have been the same again," Dr Lim said.

The minister praised the firm and timely steps taken by the prime minister which averted the rampage of a racial conflict and stabilized the situation.

He said that "13 May" was without doubt a watershed in our political history. On the one hand, the 13 May Incident left a dark shadow in the people's minds and caused an ugly scar. On the other hand, it caused people to think seriously about the long-unresolved racial and religion problems, and reminded us of how little we have achieved since independence from our efforts at promoting national unity. After "13 May" was over, our national leaders began to draft a document which would serve as a guideline for our common living, irrespective of race or skin color. This document is our National Document.

Dr Lim continued: "Let me compare our National Document with the 1948 World Declaration on Human Rights. Both are products recognizing the preciousness of life after experiencing conflicts and bloodsheds. It may be said that our National Document is a product of the unfortunate 13 May Incident, while the World Declaration on Human Rights was born after the loss of innumerable lives and property during two World Wars.

"My close contacts with the masses at the grassroots level all these years has led me to believe that the people hold a 'born-here-and-die-here' outlook. They also hope that all nationalities carry on with life peacefully and harmoniously. However, these aspirations of the masses are not reflected in political circles; instead, racial polarization has emerged.

"There are many factors for causing racial polarization, but its consequences are clear. Racial polarization not only splits the people, but also is entrenched in their minds. This kind of thinking has seriously hurt a number of major development plans in our country, such as the

industrialization program, and our country has been overtaken by some of our neighboring backward countries in economic development.

"The principal cause of racial polarization is to get support for racist politics by playing up racial sentiments. I don't believe that it can bring any good to the people. Basically, Malaysians yearn only for a peaceful and stable environment to live and work in contentment. Secondly, they want to be fairly treated as Malaysians, and it is clear that racist politics cannot achieve these aspirations.

"At this very moment, all of us should adopt a more earnest attitude in striving for the people's rights on the basis of non-racist politics, fundamental social contract (such as the federal constitution), state principles and other Malaysian values. To sincere believers in non-racist politics, rights of various ethnic groups constitute a part of basic civil rights."

Dr Lim Keng Yaik stressed that non-racist politics should be so in appearance and substance. It should instill civil rights into the minds of the people and they should fight for their rights and interests as citizens, but not from the capacity as members of a certain racial group.

He said that we should avail ourselves of this opportunity to rebuild Malaysia into a peaceful and prosperous nation and to discard racial and skin-color discrimination. In other words, we should revive the spirit of our national principles.

He said the road ahead is rough, but as long as we are firmly determined to transform Malaysia into a happy land for our future generations, we believe we can succeed.

9300/9604

#### **False Islamic Teachings by Unregistered Groups Reported**

42130044b Kuala Lumpur *BERITA HARIAN* in Malay  
25 Nov 87 p 3

[Text] Kuala Lumpur, 24 November—A total of 18 unregistered organizations throughout the country are definitely known to be carrying on activities in conflict with Islamic teachings.

Dr Yusof Noor, minister in the Office of the Prime Minister, said that 23 other Islamic organizations are being investigated by the Research Unit of the Islamic Affairs Section.

He said that a list of the names of the organizations will be made public later on.

He warned the Islamic community to be vigilant and not allow itself to be influenced easily by these organizations.

Doctor Yusof said that some of the organizations "have had roots in local Islamic communities since the time that Islam arrived in Malaysia, while others are new developments resulting from existing currents of thought in the Islamic world."

He considered the practices of these groups "unhealthy and likely to reduce the strength of the Islamic community, which has been weakened from several points of view."

He said: "If this is allowed to go on, these tendencies will split the Islamic community and thwart efforts being made toward establishing unity. They will also harm the good name of Islam among non-Islamic people."

Doctor Yusof also stated that a meeting of a special committee, presided over by Dr Abdul Hamid Othman, director of the Islamic Affairs Section of the Office of the Prime Minister, will be held to coordinate the activities of Islamic organizations in dealing with the drug problem.

Other members of the special committee will include representatives of the Office of Islamic Religious Affairs. Regarding the proposal of PAS [Parti Islam Se-Malaysia—Pan Malayan Islamic Party] to establish a "Barisan Islam" [Islamic Front], Doctor Yusof, who continues to be a member of the UMNO Supreme Council, said that he wanted to see further details of this proposal.

Up to the present he only knows about this proposal through the newspapers.

On 23 November Nakhaie Haji Ahmad, deputy central chairman of PAS, said that PAS planned to hold a meeting with political parties, including UMNO and other groups, as soon as possible, in order to establish this front to unify the Islamic community in this country.

Previously, Doctor Yusof had stated that the Third National Seminar on Islamic Mysticism will be held at the Islamic Center in Kuala Lumpur for 2 days, beginning on 7 December.

A special feature of the seminar this time is a religious ceremony which will be presided over by Ahmad Shahru Haji Daud, the imam besar [senior mosque official] at the State Mosque. This is the first time that such a ceremony will be held which is open to both men and women.

At the seminar three working papers will be presented. Some 200 persons from state Islamic law commissions and law associations and representatives of university research centers and other groups have been invited to attend the seminar.

05170

**UMNO Ready To Meet PAS on Islamic Front**  
42130044a Kuala Lumpur *BERITA HARIAN* in Malay  
25 Nov 87 p 1

[Text] Jitra [Kedah], 24 November—UMNO [United Malay National Organization] is prepared to participate in the Barisan Islamiah [Islamic Front], a group sponsored by PAS [Parti Islam Se-Malaysia—Pan Malaysian Islamic Party], if this organization functions in support of religion. This was stated by Dr Mahathir Mohamad, president of UMNO and prime minister of Malaysia.

The prime minister said that in any case UMNO needs to study the activities of the organization in greater detail to be sure that it does not have any political objectives.

He told a reporter in Jitra on 24 November: "We could meet with the leaders of PAS if the Barisan Islamiah functions in the interests of religion. However, we will not support it if it has political objectives."

Doctor Mahathir said that the Islamic community must be united in the interest of religion and the country.

On 23 November Haji Nakhaie Haji Ahmad, deputy central chairman of PAS, said that his party will meet with various groups, including the non Islamic community, and local political parties in order to clarify the objectives of Barisan Islamiah.

Haji Nakhaie also did not reject the possibility that PAS would meet with UMNO leaders in order to invite that party to join the Barisan Islamiah to strengthen the unity of the Islamic community.

According to Haji Nakhaie, the decision to establish Barisan Islamiah was made at a meeting of the boards of directors of political parties recently.

05170

**Efforts To Eliminate Polarization**

42000151a Kuala Lumpur *NEW STRAITS TIMES* in English  
5 Dec 87 p 4

[Text] Efforts to eradicate polarization among Malaysians of different ethnic origins depend much of the wisdom of the political party leaders and their members, the Dewan Negara was told yesterday.

Deputy Minister in the Prime Minister's Department Raja Arifin Raja Sulaiman said the strategies introduced and implemented by the National Unity Department alone would not be able to eradicate chauvinism.

**Platforms**

He was replying to a question from Senator Paramjit Singh.

"Promotions and preventive measures implemented by the Government through the National Unity Department can only reduce and control polarization," added Raja Arifin.

He said the Government was about to launch "neighbourliness workshops" throughout the country under the Rukun Tetangga schemes and with the assistance from the National Unity Department.

Raja Arifin added the workshops would act as platforms to enable Malaysian youths to understand their counterparts from other ethnic origins.

The Government has two types of strategies to build and strengthen solidarity among Malaysians—promotions and preventions.

Under the former, the Government encourages the people to mix and mingle through several programmes such as the Rukun Tetangga scheme.

Under the latter, the Government monitored the social relationship at any district to see if there were elements which could create disunity among the local people.

05309

**Islamic Youth Movement President Explains Objectives**

42130051c Kuala Lumpur *BERITA HARIAN* in Malay  
6 Dec 87 p 3

[Text] Petaling Jaya [Selangor], 5 December—Mature Islamic movements do not always function exclusively as pressure groups but must become organizations capable of resolving problems.

Siddiq Fadil, president of the Malaysian Islamic Youth Generation [Angkatan Belia Islam Malaysia—ABIM], said that Islamic movements should bear joint responsibility in defending the community and the people and should not only be directed toward government groups.

He said: "The task of carrying on Islamic life should not only be borne by certain groups. Rather, it is the joint responsibility of all groups, both government and community. Islamic movements with long experience cannot always be pressure groups but must be oriented toward problem solving and offering proper solutions to problems."

Speaking at the opening of the 16th ABIM Congress in Petaling Jaya on 5 December, which was held at the Al-Malik Faisal Council of the International Islamic University [Universiti Islam Antarabangsa—UIA], he said that, in order to achieve this goal, Islamic groups must have an overall program and strategy and must always be well prepared and up to date, in order to ensure proper national unity.

He said that a formula based on a policy of tolerance between religious groups within Islam needs to be developed to ensure the strength of the community and national unity in this country.

### Ensuring Unity

According to Siddiq Fadil, although this is not an overall program, it is a necessity which must be given priority in developing an Islamic generation which is active and useful.

He said: "For that reason Islamic groups must make a full effort to apply the idealism of Islam to the world, clearly within possible sector and limits. From these challenges and lessons we can return to the proper kind of thinking regarding politics in an Islamic context, including the basic policies of an Islamic government and everything involved with an Islamic state."

Regarding the ABIM program, Siddiq said that, although the organization is not a political party, as a movement which struggles for Islam it cannot avoid responsibility in the field of politics.

For that reason, he said, every member of ABIM should equip himself with political knowledge.

The 4 day congress was attended by more than 1,000 ABIM members from throughout the country. Saiful Islam Al Banna and Mehdi Ekeef, two members of the Egyptian Parliament; as well as a number of representatives of the Jumaaati Islami group of Pakistan, the Union of Sri Lanka Youth Movements, and Bangladeshi Islamic Students.

05170

### Government Officers Training Reported

42000149c Kuala Lumpur BUSINESS TIMES in English 4 Dec 87 p 2

[Text] The Government will continue to send its officers to South Korea for administrative training under the Look East programme. Deputy Minister in the Prime Minister's Department Raja Arifin Raja Sulaiman said yesterday. He said feedback from officers who had undergone training there revealed positive results in improving their working spirit and morale. Raja Arifin said this to reporters after a group of 10 South Korean government officers called on him at his office in Kuala Lumpur. The group was led by the chief administrator of the South Korean Administrative Institute, Mr Sohn Jong-Sok.

08309

Commentary on Foundation of Barisan National  
42130043b Kuala Lumpur BERITA HARIAN in Malay  
24 Nov 87 p 10

[Article by Muhammad Sidek Said: "Many Have Forgotten the Basis On Which the BN Was Founded"]

[Text] The Barisan National [National Front] (BN), now almost 14 years old, has its own concepts, struggles, and philosophy.

The BN, which was born out of the aspirations of all ethnic groups on 17 January 1974, is a coalition of political parties that were ready to accept its concepts and its struggle policy of reducing political tensions and cultivating the people's loyalty and unity through the mutual cooperation of its members for the interests of the country and the people.

The purpose of its struggle is to create a Malaysian people who uphold strongly the spirits of cooperation, harmony, working together for spiritual and material advancement, and respect for the principles of the Rukunegara [national ideology] to create a just and upright society.

In a 30 August 1972 speech on RTM [Malaysian Radio and Television], Tun Abdul Razak Hussein said, "A national front could be formed in political party circles, excluding those who are reluctant to participate in it, with the aim of cooperating to face national problems."

What came to be called the Barisan National was conceived in that speech.

Tun Razak again talked about the possibility of creating a coalition of political parties when the PAS [Partai Islam Se-Malaysia—Pan-Malaysian Islamic Party]-Alliance Coalition Government came to power on 1 January 1973.

A meeting of political parties was held by the coalition government later on 17 January 1974 in Kuala Lumpur to discuss the concept of a Barisan National.

The Barisan National created at that time was registered officially in June 1974 to speed up its participation in the general election of that year. It used a scale as its symbol.

As had been anticipated, the BN, consisting of the UMNO [United Malays National Organization], the MCA [Malaysian Chinese Association], the MIC [Malaysian Indian Congress], the PAS [Partai Islam Se] (later disqualified), the PPP [People's Progressive Party], the SUPP [Sarawak People's Party], Gerakan [Gerakan Rakyat Malaysia—Malaysian People's Movement], the PBB [United Bumiputera Heritage Party], and the Perikatan Sabah [Sabah Alliance Party], won 135 of the 154 Parliament seats in that election.

According to the history of its establishment, the BN concept was responsible for what happened after the 13 May 1969 incident as related by Tun Razak at the UMNO Convention held in Kemaman, Terengganu.

It was felt that this painful incident taught the people an important lesson and gave them a deepening awareness about the life or death of the Malaysian nation and people who expected unity and interracial harmony.

This awareness drove party leaders who had earlier opposed the government party to accept the reality of two important changes in the government's new platform, namely, the Rukunegara and the New Economic Policy.

In short, this positive attitude stimulated the UMNO to pioneer as well as struggle for these new political concepts—which were expected to bring all sides into the Barisan National Alliance—symbolizing the spirit of patriotism and nationalism of the people of this country.

In addition, the BN wanted to play a broader role in creating national unity or integration, hoping to establish a national identity at a stronger and more stable level.

"We knew that if the people were not united in our country and if there were heated political disputes between one side and another, our efforts to conduct development programs would be obstructed, especially those that would enable our nation to progress and implement our platform in accord with the Rukunegara and the New Economic Policy, both of which we had fully accepted," said Tunku Abdul Rahman in a public meeting held at the Selangor Club Field.

Looking at this matter, Tunku said he had taken the initiative to found the BN so that political parties would maintain their allegiance to Malaysia.

In principle, party heads agreed to set aside their own and their parties' interests and to stress the interests of the people and the nation.

Tunku hoped that political and peoples disputes would diminish with the institution of the BN concept and that the people would concentrate their efforts and energies on development and strengthening national unity.

Datuk Seri Dr Mahathir Mohamad, the BN's third president, in his welcoming speech at the celebration of the founding of the Barisan National in Johor last year, touched on the same matter.

According to Dr Mahathir, the founding of the BN was aimed at uniting the multiracial Malaysian people. This was a step toward carrying out the national struggle by setting aside biased racial struggles and reducing "politicking" that might destroy or obstruct the achievement of national ideals.

From all this it is clear that the BN struggle is a struggle to achieve national ideals for the interests of all the people in accordance with the Rukunegara and the goals of the New Economic Policy.

In activating this struggle (the struggle for racial unity), the UMNO and the Malays had to sacrifice many of their interests. The UMNO, for instance, affirmed its readiness to enter into a power partnership for governing this country to give people's representatives the opportunity to support wide participation by multiracial people in the national administrative structure.

Tun Razak hinted at this at the home of the Pahang chief minister in August 1974. He said, "We want to establish a national government under which we will not be governed solely by Malays, although we could establish such a government."

He said the UMNO could establish a government even without having any victorious non-Malay candidates.

At a public meeting held at the Padang Muslim Court in Alor Star, the deceased Tun Abdul Razak also listed five kinds of enemies who opposed the concept and role of the BN. Included in his list were the Parti Rakyat [People's Party], opponents in the UMNO and in the PAS, extremists, hard-core militant communists and chauvinists who used language and Chinese studies issues for their own purposes.

He characterized the extremists as subversive elements who used biased religious and racial approaches to bind the people to their side. In any case, Tun Abdul Razak was pessimistic about the communists and chauvinists who he felt were more dangerous for the nation at that time.

Nevertheless, a period of transition followed. The kind of leadership and ideas, all sorts of mandates and opinions that had been expressed in speeches of BN leaders earlier inspired "rumors" of "enemies in one's own circle," "flirting with both sides for self-interest," "push-pull," polemics, and added this there were continuous conflicts among the BN component parties.

What gave rise to the hullabaloo then is now created by "the little things that do the greatest harm" [proverb]. Evidently the spirit of unity endorsed earlier is gone. It has been replaced by various desires to struggle for a group's interests without observing the line framed jointly earlier.

If not controlled, the "mountains that are made out of mole hills" could destroy the alliance made so long ago. The MCA, one of the Chinese parties that affirmed its readiness to struggle with others in the demand for independence, is believed to have "forgotten history" when its leaders recently began to busily create problems with sensitive issues that could threaten national stability.

In view of these troubling developments, the BN senior leaders called on the leaders of component parties to remember the basis on which the Barisan National was founded.

#### Do Not Want To Understand

They felt that some groups in the BN had forgotten why it was founded and had begun to misunderstand or purposely not want to understand the BN struggle.

Datuk Mohamed Rahmat, the chairman of the UMNO Information Bureau, explained that the deceased Tun Abdul Razak had formed the BN to reduce politicking in parties that had fought for the national interests.

Datuk Mohamed Rahmat feared that we would fight among ourselves if the politicking continued and thus the national struggle would be abandoned.

The deceased Tun Razak's goal was to expand the Alliance, which consisted of three component parties, into a big family, and with a family spirit and unity of the various races that make Malaysia their homeland, the people would be united to achieve the national political struggle target.

Today, the public has forgotten why the BN was founded. Some persons feel the BN is an organization in which the struggles of certain groups or even nationalities are to be resolved. Datuk Mohamed Rahmat said this deviates far from the original reason for creating the BN. It was to be an organization in which struggles for national problems would be conducted in a manner indicated by its name, Barisan National.

According to Datuk Mohamed Rahmat, all policies decided upon by the BN and which had their foundation in the struggle for independence, all sorts of contracts that were signed when the national Constitution was adopted regarding sovereignty, the position of the *rajas*, language, religion, and the special rights of the Malays, now have no meaning for them (the dissatisfied BN components).

He said all sides should respect the Social Contract, accept and handle important matters, and should not repeatedly recite past grievances, moreover, make the nationalism struggle a racial struggle.

The views expressed as well as the advice given by Datuk Mohamed, of course, hit the nail on the head because they were expressed not only for party interests but to create a harmonious climate in a multiracial nation.

Although this country has gained its independence and freedom from colonial domination, that freedom fundamentally was established for certain ethnic groups along with their respective rights and should not make these groups suspicious of each other.

The Malaysian society cannot possibly make progress in any real sense if each of us acts on the basis of racial feelings.

Although the country executes a democratic policy, namely, that everyone has the same rights, certain limits have been established.

What non-peribumis should do is to try to understand better the realities of our national history and try, with all their resources, to prevent incidents that touch on racial feelings from happening.

The same holds true for leaders of BN component parties who must be prepared to play a role in making their followers understand the realities of majority rights and the structure of a mixed society.

The responsibilities of a leader are truly heavy, and he must examine each development wisely, thoughtfully, and honestly. A leader must also be prepared to find solutions to problems that continually arise from sensitive issues.

It would be fitting if every leader functioned to provide an understanding of these matters to those who are dissatisfied with living in a populace with roots in different ethnic groups.

If the earlier BN leadership front could sit down together to discuss questions of mutual interest, the same thing could be done now. The present BN organization must play a stronger role in facing all sorts of changes that come their way. It should do the same in regard to the various problems and demands that are set in the form of criticisms, and they should study ways to keep the BN intact. Granted, "If one destroys his own family, he shall also feel its pain" [proverb]. I hope that "those who are related will never split up because of disagreements" [proverb].

06804/09599

#### Malaysian Air Base Renamed

42130043a Kuala Lumpur BERITA HARIAN in Malay  
23 Nov 87 p 18

[Text] As of today, the Malaysian Royal Air Force Base [Tentera Udara Diraja Malaysia—TUDM] in Kuala Lumpur is renamed the TUDM Station to conform to the scale of its operations.

Its name was changed when some of the TUDM flight operations were transferred to a new base in Subang.

Lieutenant General Datuk Seri Mohamed Ngah Said, Air Force commander, will officiate at the ceremony.

The base began operating as an RAF station on 1 June 1941 under Squadron Leader C. H. Lucas, the administrative officer.

It was the first base to be established in Malaya by the British.

The base was established to facilitate RAF operations in the defense of Malaya, and it became an RAF communications center based in Seletar, Singapore.

Up to the seizure by Japan of Malaya in 1942, the base was used as an RAF defense center. When Japan was defeated in 1945, the base was renovated and opened for operations in 1956.

After the war with Japan, the first administrative officer to head the base was Captain H. E. Warcup. The command of the base was changed several times, and by 1960 as many as three officers had been responsible for it.

The base was turned over to the government of the Federation of Malaya on 25 October 1960.

Although the base was transferred to the TUDM, its administrative officers were borrowed from the British Royal Air Force because the TUDM was short of officers, and air force officers were being borrowed from foreign countries.

However, after 9 years, on 31 March 1969, Capt Mohammed Taib, the first native son, took over as administrative officer.

06804/09599

**Navy Plans To Buy Submarines, Helicopters**  
42130047 Kuala Lumpur *UTUSAN MALAYSIA* in  
Malay 30 Nov 87 p 25

[Text] Kuala Lumpur, 29 November—The Royal Malaysian Navy (TLDM) has sent delegations to four European nations to assess the purchase of submarines for national defense.

Vice Admiral Datuk Yaacob Haji Daud, assistant commander of the Navy, today said these officers have been conducting research on submarines in France, West Germany, Britain, and Sweden since 1984.

He said the delegations, each consisting of four officers, assessed the various types of submarines being made in these countries. "On the basis of their reports, and if the country's financial situation permits, we plan, as an initial purchase, to obtain at least one submarine for a pioneer training effort toward eventually have a submarine armada," Adm Datuk Yaacob told reporters after his annual inspection of K.D. Sri Klang facilities here today.

"We will not buy nuclear-powered submarines because conventional, diesel-powered submarines available have been found to be sufficient for the defense of our national territorial waters," he added.

Regarding the purchase of six British-made WASP-type helicopters for the TLDM air branch, Adm Datuk Yaacob said preparations are being made to accept delivery of these helicopters around April of next year.

The helicopters, he said, are planned to be commissioned on 1 July of next year when celebrating the TLDM's 36th anniversary.

Adm Datuk Yaacob said the helicopters will be based in Lumut and will be placed aboard TLDM ships to aid in the control of national territorial waters.

06804/06662

**Economic Development Depends On 'Political Stability'**

42130050b Kuala Lumpur *BERITA HARIAN* in Malay  
5 Dec 87 p 4

[Article by Nazar Abdul]

[Text] Kuala Lumpur, 4 December—Dr Mahathir Mohamad declared on 4 December that the government needs to strengthen the laws to ensure political stability and national security.

He said that such a step is important to ensure that actions by irresponsible groups do not harm national development and that the people continue to enjoy a suitable level of welfare.

Stating that he would present a draft Police Act (Amendments) bill, the prime minister said that the government is responsible for national development and the people's welfare. It will not be affected by disturbances resulting from the abuse of democratic rights.

He declared: "This new legislation is needed to ensure stability, even though it means, more or less, that the freedom which may be abused by a small number of 'frustrated' politicians must be defended."

According to the prime minister, at the present time there are individuals and groups in society which are not yet politically mature. They do not know how to protect themselves and do not have any regard for the liberal attitude of the government.

He said that mature people know how to defend themselves without being protected by specific laws. They will not do anything to harm society.

He stated: "Unfortunately, the first group is always looking for loopholes in the laws to make it possible for them to do something which is not good, without the government's being able to do anything to them under the law."

He said that, in fact, the government is faced with a dilemma in this matter, because if the laws are not strengthened, this group will create disturbances and tension. If the government strengthens the laws, the government will be criticized for not being liberal.

He said: "In any case, the government will not run away from its responsibilities, whatever statements and criticisms are made. The government will continue to do its duty and to act in a responsible way."

Doctor Mahathir considers that the government does not need to be liberal toward individuals who do not appreciate the liberal attitude of the government.

In his view, displaying a liberal attitude toward such individuals is like giving flowers to a monkey, because the monkey does not appreciate the beauty of the flowers and just shreds them.

He also rejected the charge made by the DAP [Democratic Action Party] that foreign investors allegedly will not come into Malaysia if there are tough laws on the statute books, such as the Police Act, as amended. He said that the principal consideration for foreign investors is political stability, a strong government, and the ability of the government to strengthen the laws to ensure that they will make profits from their investments.

05170

#### Strong Growth in Economy Reported

42130050a Kuala Lumpur UTUSAN MALAYSIA in Malay 5 Dec 87 p 16

[Text] Kuala Lumpur, 4 December—The Malaysian economy, helped by an increase in exports and demand in the private sector, grew strongly during the second half of this year, the Bank Negara [State Bank] has declared.

Gross National Product (GNP—Keluaran Negara Kasar) increased by 2.2 percent during the period, compared to 1.8 percent during the first half of the year. This was stated by the Bank Negara in its most recent, quarterly bulletin.

The strengthening in foreign demand increased the output of the refinery sector by 9.2 percent, and a growth in output was also reported in the electronics, wood and wood products, and textile and clothing sectors.

The agricultural and forestry sector recorded growth of 2.3 percent, up from 1.0 percent in the first half of the year, following increases in output of lumber and palm oil.

Output in the mining sector declined by 6.0 percent, following a reduction in the production of crude oil, while output of tin in concentrates continued to increase with more tin mines resuming operation.

Following the improvement in economic activity and in commodity prices, the Bank Negara said that the output of the services sector rose in value by 2.3 percent, compared to 1.7 percent during the first half of the year.

The Bank Negara said that the flow of capital into the industrial sector during the second quarter of 1987 recorded an increase of 2.5 percent on an annual basis, compared with negative growth in the four previous quarters.

05170

#### Government Effort To Increase Rubber Quality

42000149d Kuala Lumpur BUSINESS TIMES in English 4 Dec 87 p 16

[Text] Smallholders in the country are losing potential earnings of \$70 million to \$75 million annually because of the low quality of their rubber.

Deputy Land and Regional Development Minister Datuk Haji Khalid Yunus said yesterday 85 per cent of the sheet rubber produced by smallholders was of grade three and below.

Opening a course on the safe use of pesticide at Sekolah Kebangsaan Sayong in Kuala Kangsar, he said that of their total production, only 4.9 per cent was of grade two, 19.65 per cent of grade three, 50 per cent of grade four and 22 per cent of grade five. None produced grade one rubber sheets.

The Government is making every possible effort to help increase the income of smallholders by providing them with various facilities, including rubber replanting programmes through Risda.

A total of 123,642 ha or 71 per cent of the 172,504 ha of rubber smallholdings in the country had been replanted.

On idle land which had hampered government efforts to improve the socio-economic position of the people, he said the Government can develop the land without needing the approval of the owners if they fail to develop their land for three consecutive years.—Bernama

08309

#### Master Plan To Develop West Pahang

420000149a Kuala Lumpur BUSINESS TIMES in English 4 Dec 87 p 2

[Text] The Pahang Government, with cooperation from the Economic Planning Unit of the Prime Minister's Department and an Italian consultant firm, will draw up a comprehensive master plan for the development of the west Pahang region soon.

Menteri Besar Datuk Seri Khalil Yaakob said yesterday a study on the project would begin in March next year and take 20 months to complete.

Speaking in a special interview with Radio Malaysia Kuantan, he said the study would cost around \$7.06 million - \$6.14 million of which would come from the State Government and the balance from the Federal Government.

He said the master plan would cover all types of development in the region, including in agriculture, fisheries, aquaculture, forestry and tourism.

Datuk Seri Khalil said a master plan was needed because the present rate of development in west Pahang was at a rather low level.

On tourism services in Taman Negara, he said the private company appointed to manage the services lacked experience, resulting in problems for local residents and visitors.

He also suggested the name Pulau Tioman be shortened to "Tioman" to make its name easier to mention.— Bernama

08309

**Japanese Deny Breaking Fishing Agreement**  
42000189c Port Moresby PAPUA NEW GUINEA  
POST-COURIER 4 Dec 87 p 15

[Article by Blaise Nangoi, Tokyo]

[Text] Japan has denied breaking its fishing agreement with Papua New Guinea.

Instead, Papua New Guinea had taken the step to break the agreement during the term of office of former Fisheries and Marine Resources Minister, Mr Bourne.

This was said in Tokyo by the assistant director of the International Fisheries Agency, Mr T. Matsuoka.

Mr Matsuoka said fishing trawler fees were fixed through an agreement signed with Papua New Guinea and other Forum countries in 1978.

Japan contended that Papua New Guinea had broken that agreement by its demands for higher fees, as demanded by former Fisheries Minister, Mr Bourne.

Mr Matsuoka said the March incident was the second occasion for PNG to breach the agreement.

The first was in 1979 when Japanese fishermen had to be ordered out of PNG for refusing to pay higher fees.

He said discussions had been held between Japan and PNG and he was hopeful another fishing agreement would be reached by early next year.

He stressed, however, that such an agreement would be reached only if the two countries started "all over again".

Japan had lost a 70,000 tonne a year fishing stronghold in PNG waters, valued at K2 million, because of the breakdown.

He denied Mr Bourne's claims that the breach was caused by Japanese fishermen under-stating their catches.

He was hopeful that PNG could see Japan's point of view on the problem, and that there would be a speedy return to negotiations for an agreement.

He said the average Japanese person's diet was dominated to the extent of 45 per cent by fish products.

It was therefore logical for Japan to strike up a fishing agreement with PNG, especially covering skip-jack tuna, which accounted for 20 per cent of the catch from waters around PNG and other South Pacific countries.

The demand for higher fees was "just not fair", he added. The breaking of the agreement was caused by a "misunderstanding".

"Japan is ready and willing to renew the fishing agreement, but only if Papua New Guinea agrees to accept fees as previously paid," he said.

Mr Matsuoka felt, however, that the argument had not "stretched" relations between the two countries.

/06662

**Loophole in Nuclear-Free Provision Criticized**

42000065a Quezon City WE FORUM in English  
30 Sep-6 Oct 87 p 16

[Text] Contrary to the popular perception that Article II, Section 2 of the 1986 Constitution (declaring a Philippine state policy of freedom from nuclear weapons) is self-executory, there is a loophole in the same Constitution which makes the freedom from nuclear weapons provision enforceable only after 1991.

The "loophole" pertains to the provision which recognizes the validity of the US-RP Military Bases Agreement (MBA) up to 1991.

The recognition of the MBA is implicit in Article XVIII, Section 25 which provides that:

"After the expiration in 1991 of the Agreement between the Philippines and the United States of America concerning Military Bases, foreign military bases, troops or facilities shall not be allowed in the Philippines except under a treaty duly concurred in by the Senate and, when the Congress so requires, ratified by a majority of the votes cast by the people in a national referendum held for that purpose, and recognized as a treaty by the other contracting State."

What is not known even to some of the most eminent of anti-nuclear experts is that the recognition of the MBA is tantamount to contradicting the Philippines' "freedom from nuclear weapons" policy.

The Description of Rights of Article III, Section 2, Subsection E of the MBA implicitly allows the presence of nuclear weapons in Clark and Subic.

This provision of the MBA states that the United States has the "right, power and authority: to construct, install, maintain, and employ on, any base and type of facilities, weapons, substances, device, vessel or vehicle on or under the water that may be requisite or appropriate, including meteorological system, aerial and water navigation lights, radio and radar apparatus and electronic devices, of any desired power, type of emission and frequency." (underscoring provided)

This provision of the MBA is a legal impediment for anti-nuclear activists demanding the immediate enforcement of the freedom from nuclear weapons policy of the constitution. The President, Cabinet officials, the Department of Foreign Affairs, and the Department of National Defense—government entities responsible for the implementation of the freedom from nuclear weapons provision—can cite this MBA provision to justify "nonaction over the enforcement of the provision."

So far, no action on the part of the said government entities, which will show that they have already enforced the provision, has been reported.

Also, the said MBA provision will make any bill on the enforcement of the freedom from nuclear weapons provision passed in Congress enforceable only until 1991, when the MBA shall have expired.

For anti-nuclear activists, one way (perhaps the only way) to enforce the freedom from nuclear weapons provision despite the MBA provision is to "supersede" the Constitutional provision which recognizes the validity of the MBA.

This can be done by pressuring Congress to define the antecedent phrase "consistent with national interest" included in the freedom from nuclear weapons provision as a prohibition on the manufacture, storage, and entry of nuclear weapons into the country and the banning of nuclear-carrying vessels from Philippine territory.

Doing so will nullify the Constitutional provision recognizing the MBA, particularly the provision which implicitly allows the presence of nuclear weapons.

The 1986 Constitution, which recognizes the freedom from nuclear weapons provision and the MBA at the same time, is a legal document and therefore binding.

However, there have been instances in the recent past when legalities were disregarded in favor of the overwhelming interest of the majority. This was what happened in February 1986 when Ferdinand Marcos, despite his being proclaimed winner in the presidential elections by the duly-constituted Batasang Pambansa, was overthrown and the people demanded that Mrs. Aquino be installed as President.

A strong anti-nuclear movement, in this case, is what is needed to nullify the MBA, a legal document by virtue of a Constitutional provision.

Anti-nuclear activists, however, are preparing for the worst in the event that they succeed in pressuring the Congress to define national interest in terms of the "non-presence" of nuclear weapons in Philippine territory.

The United States, as one US ambassador to the Pacific has said, "will do everything possible to counter (the anti-nuclear movement in the Pacific)." This could include supporting military moves to overthrow the Aquino government. (PNF)

08309/12913

**Weekly Reviews 1987 AI Report, Post-Publication Rise in Cases Noted**

42000152b Quezon City NATIONAL MIDWEEK in English 11 Nov 87 pp 34, 35

[Article by Bobby Tuazon: "A Global Phenomenon"]

[Excerpts] In both developed and underdeveloped countries today hundreds of thousands of people including women and children have become victims of human rights abuses.

It is to the credit of human rights groups that this worldwide abuse of human rights has been given international attention, with victims getting some justice in certain respects. At the core of this human rights campaign is a London-based Amnesty International (AI). AI won the Swedish Nobel Peace Prize some years ago.

AI's 400-page 1987 Report summarizes the organization's human rights work in 1986 and details entries on 129 countries (including the Philippines), the highest number ever.

The report suggests that no region or country in the world is free from human rights violations. It shows, however, that this phenomenon prevails largely in countries under repressive or military rule, where poverty is widespread, and where people are clamoring for radical social change.

In its Philippine account, AI reports that by the end of 1986 no prisoners of conscience were known to be detained and that the cases of over 100 people whose imprisonment might have been political was under review. Although reports of abuses were far fewer than in previous years, reports of extra-judicial executions continued, as did reports of abuses by anti-government forces, AI admits.

The book's finding that there has been a marked improvement in the Philippine human rights situation was based on facts gathered immediately after the Aquino government takeover last year.

In his Manila visit 2 weeks ago, however, AI's deputy secretary-general Larry Cox said there has been a dramatic rise in politically-motivated killings and other rights violations. Cox expressed concern over increasing reports of abuses committed by the military and by some 200 military-backed vigilante groups. The AI official also urged congress not to revive the already abolished death penalty, it having been proven ineffective in curbing crime.

AI's 1987 Report (a copy of which we presume has been sent to the Philippine government) should be read by the world's presidents some of whom have made the protection of human rights a state policy but have turned their palaces into graveyards for human rights victims.

/12232

#### Priest Reports Negros Campaign Against BCCs Continuing

42000152f Quezon City NATIONAL MIDWEEK in English 11 Nov 87 pp 37, 38

[Article by Fr. Rembert Rivera: "Dialogue with BCC!"]

[Text] To our brothers in the military: When, last April, the president, Madame Cory Aquino, met with the bishop of Bacolod, Msgr Antonio Fortich, and some top

brass of the military, including Col Miguel Coronel, the provincial commander, they were able to arrive at an agreement on how to work harmoniously in the province. For one, they decided to refrain from any name-calling that tended to sow disunity and confusion among the people. Moreover, they agreed that if anyone of them violated what they had decided upon anyone of them may call his attention, and may even present the matter to the president, if deemed necessary.

Until now, there is however, a continuing smear campaign and harassment being waged against the church, particularly against her BCC (Basic Christian Communities) or KK (Kristianong Katilingban) program. Too frequent to be ignored are personal accounts of BCC members reporting threats and harassment from military personnel and vigilante groups, urging them to stop their church-related activities, and alleging that the BCC is only being used as entry point to the CPP/NPA movement.

The Catholic Church in the Diocese of Bacolod has always been explicit in laying down her pastoral thrust. She has pledged to promote the liberation of the total human person, and as a pastoral imperative, to organize BCC's as a vehicle for more affective evangelization and development of the faithful.

One accusation directed against the BCC is that it engages in political activities which are no longer part of the Church's task. Actually, BCC activities are three-fold: 1. Liturgical Panimbahon, rosary, etc... 2. Development-livelihood projects, health services etc... intended to uplift the standard of living of the people; 3. Liberational-organizing people through seminars, sharing and mass actions etc... to become active participants and decisionmakers in their social life, as dignified children of God and as respectable citizens of society.

Another suspicion ventilated is that the on-going education of BCC's is utilized for teach-ins or indoctrinations for the communist ideology. Even the material aid for indigent members, like the Rice Distribution Program, is suspected of being passed to the NPA. In reply, the Church reiterates that all activities in the BCC are open for anyone to monitor or scrutinize. To obtain and objective, first-hand information about the BCC cannot be by way of listening to hear-says, half-truths, slanted reports, but can be had by joining the activities themselves, to which everyone interested is always welcome to observe.

We therefore present to you, who are entrusted with the maintenance of peace and order in the land, our humble requests:

a. if possible, to dialogue with the priests and BCC members concerned regarding matters to be threshed out, and not to resort to black propaganda to the effect that the church is sympathetic to the leftist;

- b. to allow BCC members to continue their church-related activities without being harassed or branded communists;
- c. not to identify those church people who had opted to join the rebels with the stand of the church, since they had precisely dissociated themselves from the church. Which consistently rejects violence as a legitimate means for social transformation;
- d. not to coerce BCC members to join vigilante groups, like the Alsa Masa since in principle, though the BCC is organized, taking up arms or the use of violence or subscribing to any ideology, whether leftist or rightist, is never sanctioned by the church;
- e. to uphold the principles of civilian supremacy in our democratic government to observe due process in the apprehension and treatment of civilians, and to protect their rights as guaranteed by the constitution;
- f. to apprehend erring military personnel and vigilante group members accused of crimes, because, under the principle of command responsibility, since it is the military who train, orient, arm and unleash them, they are both equally accountable for the actuations of these paramilitary groups;
- g. to properly charge, not by publicity, any church member (whether priest or layman) but before the court of law, if he is guilty of any wrongdoing, and to present evidence for offense he is accused of.

We likewise welcome any suggestion, complaint or recommendation from your side, so that we may attain mutual cooperation in serving our people and in preserving the democratic gains of our nation.

[Signed] Fr. Rembert Rivera San Isidro Labrador Parish  
Moises Padilla, Negros Occidental.

/12232

**Partisan Group Activities Discussed by Members**  
4211002 Quezon City NATIONAL MIDWEEK in  
England 18, 25 Nov 87 pp 3-7

[18 Nov 87 pp 3-7]

[Text] "The tension, the fear, and the thrill, once set in place and are just waiting to be aroused, are always intense, and once the fighting begins, then that very tension is released."

They are the most wanted people in Manila. As long as it is believed that the military does not have the persistence, much less the initiative, to look for Col. Gregorio "Gringo" Honasan—the news rings loud and clear that the popular rebel wanders freely in various places in Manila, including even in the military camps and in restaurants, while in the meantime, the efforts of the

soldiers and the police to catch and crush the Alex Boncayao Brigade (ABB), or what is called "The Sparrows" are intense. Since the ABB was organized in 1948—their first operation was to murder General Tomas Karingal in a beerhouse in Quezon City—this so embarrassed the soldiers and the police that they refused to talk to and about the partisans out of respect for General Karingal because of what the partisans did to him.

The ABB is the armed city partisan (ACP) unit of the New People's Army (NPA) in Metro-Manila and in eastern Rizal. In the past months, the ABB claimed that they killed more than 20 policemen and soldiers. Because of this, the authorities became angry at the partisans (this is how the Sparrows call themselves) and at the people supporting them. To lead the fight against the ABB, Col. Juanito Lagasca, the Western Police District (WPD) intelligence chief, organized the Eagles, an experienced police unit whose primary objective is to suppress the ABB. Along with this, the police (zoned) confined to a certain territory the suspicious homes of the partisans. In Tondo, 500 people, partisans confined in a certain district, were captured in one operation.

Since the partisans are volatile, they are not easily available for an interview. I had to wait for a month just to have a meeting with them, and at such a short talk with them, there were so many things that they couldn't express and explain clearly, the so-called "tactical information."

On the other hand, there were also many things that were clarified in my meeting with the members of the ABB. First of all, and this has also been stated by other writers, their appearance was very ordinary, and they weren't wild in their actions; they didn't keep on looking back and forth to see if an enemy was lurking behind. They are the type whom you meet in a department store, sit beside in a jeep, or, ask for the time while walking in the streets. The partisans I met have their own peculiar traits. For instance, Sergio Romero (they have aliases) is a member of the overall operational command of the ABB. He's over 30 years old (even his exact age cannot be revealed) with a stocky body and a voice that doesn't fit one in a high position. He laughs like the horn of a car being blown all of a sudden. He already has vast experiences in the armed struggle; he was formerly an NPA guerrilla in the countryside.

Now, Arnel Sandoval is over 20 years old, has a packed body and looks afar when he talks, has a serious-looking face and looks like an orator. Once in a while, especially when talking about the exploits of the ABB, he sounds and acts like "Kenkoy" (a Philippine comic strip character). He was formerly a member of the Kabataang Makabayan (National/Patriotic Youths).

Marty Rojo is over 20 years old, too, and can be mistaken for a movie actor. he was formerly active in the communities.

I haven't noticed any mole in the faces of these three men.

[Question] What are the common causes which make a man join the ABB?

[Romero] Now, the main source of our manpower is the revolutionary forces. Now, on the part of the revolutionaries, it is very hard to ask about their involvement. They are very willing to participate in the different fields of action, one of which is urban warfare. On the whole, it is all on a voluntary basis. One of the keys here is that one understands the need, the job orientation.

[Question] What did you all do before you joined the ABB?

[Sandoval] I was formerly a member of the Patriotic Youths. Then I studied the masses. I really like urban guerrilla warfare. I was really inclined towards it even before. I really have an inclination for it. When I was still studying, Fidel Castro and his cohorts were my idols even then.

[Question] Isn't it an extremely difficult inclination to ambush the police? (Laughter)

[Sandoval] What I mean is that revolutionary military work is, of course, based on an ideological line.

[Question] Not romanticism?

[Sandoval] Oh, no. I could say that at the beginning, when I first got involved in the revolutionary movement, I still was a romantic then. However, in the process of getting involved in the movement, I've been in it for a decade, I've developed a commitment to it. Later, I was assigned to this kind of work which I really like.

[Romero] When looking for cadre activists to be assigned to cultural or propaganda or organization, those with potentials along the lines (mentioned above by Sandoval) are selected. The same is true with the ABB.

[Question] How do you know whether a person is good for the ABB?

[Romero] When a person is being referred to as a good possibility for the ABB, that is just in the subjective stage. The true capability of a person can be seen during training and actual practice. But it not 100 percent sure that he'll be a successful partisan operative.

[Sandoval] But, the ABB has also membership prerequisites.

[Question] What are they?

[Sandoval] For example, here in Manila-Rizal, first a member must have a one-year minimum of continuous action (involvement in the movement). Secondly, he must not have any problem with the military or any physical illness.

[Question] What, especially, are these problems?

[Sandoval] Blindness, for one. (He said jokingly, then laughed.)

[Question] It's rather obvious, isn't it?

[Romero] (Still sounds like snoring out of laughing) However, it is doubtful that those who look sick can join the movement.

[Question] Is there still a physical fitness test?

[Romero] There's more. But it is being developed in the process.

[Sandoval] It should also be that he has a good record as a person; actually those who join with a somewhat defective background are very carefully screened.

[Romero] When there is indeed a criminal record, then he is rejected altogether. For instance, if he is involved in drug pushing, snatching, and so forth, then, he certainly won't be accepted as a member.

[Rojo] He must also have the recommendation of the mass organization in the community.

[Sandoval] Oh, indeed, that's the most valuable prerequisite of all. It's imperative that he has the recommendation.

[Romero] Furthermore, at least, two communist party members must vouch for him.

[Question] What's the first step once he's accepted as a member?

[Romero] Training. Orientation. There is a theoretical aspect in the training.

[Question] What are the topics taken up in the theoretical aspects?

[Romero] First and foremost is basic partisan orientation: people's war, rules and regulations of the NPA; then, the laid-down policies and the particular characteristics of city warfare.

[Sandoval] There is a one-month comprehensive course called Basic Partisan Course or BPC. Its contents are both theoretical and practical. The practical aspect is

similar to the training of the NPA members in the countryside: obstacle course, target shooting and so on. There are specific topics just for the partisans, like for instance the use of arms.

[Question] What's the training for the familiarization of the terrain?

[Sandoval] That is improvised during training. For instance, let us suppose there is a fence here or a car there to be overcome. You see, the training is in the countryside. That's why the pretense is necessary. Thus, the reaction of the recruit to the terrain is observed carefully.

[Romero] Now, the recruits are just from this area.

[Sandoval] There is also internal training around here. Sometimes it's done at the Luneta or at the Cultural Center.

[Question] What do you do (in those places) there?

[Sandoval] Physical fitness. Jogging. At times, they tumble down. (He said this jokingly, thus, laughter follows.)

[Romero] Thus, when you see someone in those places there, you must ask, "Are you partisans?" (This was said jokingly again, thus, more laughter.)

[Question] Is there also a baptismal ceremony after the training?

[Romero] Yes. But the development or experience is gradual. First, the new recruit's job is look-out. Then, back-up. Then, he's offered support when he's capable of becoming a triggerman.

[Question] About how long is the training before one could participate in an operation?

[Romero] It's rather fast, but then, it depends on the recruit himself.

[Rojo] Possibly, six months.

[Romero] Or, maybe just a few weeks.

[Sandoval] Actually, the training is not ritualistic. The stages are not too strict, nor stiff. There have been cases whereby new recruits immediately participated in the operation.

[Romeo] This is done especially when it's extremely hot, or, when there are difficulties with the training grounds that we are using, for example, the Southern Tagalog region or Northern Luzon, both of which are under our operational command. Thus, what happens is simply to have a crash course, then, quick participation in our operation.

[Sandoval] Actually, the majority of the members have done it this way. They take crash courses, then immediately comes actual training. What's really important here then is the guidance of the responsible cadres, especially the team leaders, in planning and dry-run. Dry-run practices are done in homes and warehouses.

[Romero] The new recruits are given pointers; then, there is a sharing of experiences in order to prepare them for what comes ahead.

[Question] Could you tell me how many operatives you have in Metro-Manila?

[Romero] No. However, according to Gen. Fidel Ramos, there are about 300 Sparrows in Manila. It's up to them to figure out. (He laughed, jokingly.)

[Question] Has it ever happened that an operation has been discontinued due to the inadequacy of the conditions?

[Sandoval] Yes, there has been. It might be good to share with you our most recent operation. This was the attack on Major Ricardo Velasco in Pasig.

[Question] Was this when his wife and child were with him, wasn't it?

[Sandoval] Yes. What happened was this. The operatives saw Velasco coming, riding in his jeep—about 50 meters away from them.

[Question] What time was it?

[Sandoval] It was daytime, around 11 in the morning.

[Question] Before this, didn't you conduct intelligence work? Approximately, how long did it take you?

[Sandoval] About over a week.

[Romero] But, it depends upon the target. In the case of Velasco, it was a week.

[Sandoval] Now, October 16 was supposed to be the date to strike him down. There was, however, a country-wide farmers' strike then. A killing zone had been set. Just before Velasco's vehicle arrived at the killing zone, all of a sudden, there were people on the next block—farmers marching and waving their red flags. (Laughter) About 40 of them. They were coming towards the killing zone. Even then, the operatives still waited while the strikers continued marching. Then, suddenly, the farmers stopped at the killing zone. They even sat down to rest. Somebody then got hold of a megaphone and started talking. Our comrades wanted to disperse them, but they didn't have any idea how to do it.

Indeed, they really had a problem in their hands. The leader of the command had to make a quick decision while the vehicle of Velasco was fast approaching. One partisan uttered, "Let's go ahead with it. Let's do it. if we do it, those people, the farmers, the strikers will applaud."

On the other and, the team leader, the most responsible in the command, said, "Sure, they would applaud, but they would also get killed—all of them. Hence, let's not proceed with it."

The enemies would certainly have gone after them. Thus, they withdrew. The operation was accomplished the next day, October 17—the same pattern, same time, same killing zone.

[Question] Usually, how many partisans are there in one operation?

[Sandoval] It depends upon the target. About 3 to 5. Certainly, there must be a triggerman, a support person, a back-up man, a look-out man, and a blocking person.

[Question] What do they do during the day and the night before an operation?

[Rojo] They discuss the entire plan.

[Romero] Once the plan has been set, there's nothing...

[Sandoval] No separation from each other, no resignation of any of the members involved in the operation is allowed. Even if the date is changed, still, none of the above, that is, separation and resignation is allowed.

[Question] What would you be thinking about the night before the plan is to be carried out?

[Romero] Based on past experience, everything had been okay. However, the tension, the fear and the thrill, once set in place and are just waiting to be aroused, are always intense. Once the shooting begins, then that very tension is released.

[Sandoval] At night, it's back to normal again. But, the night before the operation is to be carried out, heart palpitations, thrills and fear are indeed there. However, once an operation gets started, then everything goes as planned.

[Question] Let's see in your case, Sergio, what would you be thinking about before you sleep the night of the operation?

[Romero] (Thinking) Nothing indeed. Once the plan is all set, I simply think about my own role in it. "What are my responsibilities?" This is especially important if you're the team leader. "What are the unexpected that could possibly happen?" "How would you react to unexpected or unforeseen events?"

[Question] How long does it take for a Partisan to get used to an operation?

[Romero] (Thinking.) Approximately 2 to 3 operations, then he is fine, he is okay. Since his confidence is developed, he's okay. What really concerns him is his lack of confidence in himself.

[Sandoval] Tempering is valuable. Once your confidence in your role performance in an operation has been developed, it's easy, there's no problem.

[Romero] It becomes ordinary then. It's just like you writing an article. (Laughter.)

[Sandoval] Isn't it that when you're a new writer, you're concerned that what you write might be thrown out into the trash? (Laughter.)

[Rojo] The first time you handle a gun, you don't know how to shoot. However, once you've done it, you become familiar with it, you're experienced in it.

[Romero] It's like a writer who is concerned about whether his writing is acceptable to the editor or not. On the other hand, the partisans' concerns are those having to do with failures, those that wouldn't come to fruition. Something might not work. A fellow partisan might get hit.

[Question] After an operation, what do you do?

[Romero] What is to be assured is to be able to get out of the vicinity where the operation is. There is a definite, designated portion of the area where we must be able to escape after the attack.

[Question] Is there an immediate assessment of the situation?

[Romero] No. It's set for another day. Once safe, it's back to normal again.

[Question] Do you retreat to the same house?

[Romero] Different houses. These houses are marked. You have to make a signal, a buzzer, to make sure you are safe. Then, afterwards, you flee fast. There are then other rallying points. At times, you change clothes while making the signal.

[Sandoval] The very first thing to be ascertained is that everybody is safe.

[Question] What else do you want to refine in your operations? What things frequently come up during your assessment?

[Romero] At times, a bullet misses the target. Things like that. Then, in other cases, an innocent bystander is victimized. For example, in Malabon, the common-law

wife of a military man who was the target suddenly leaped over to cover him. The woman was the one hit instead of the military man. Also, sometimes, a person is used like a tree branch by a military man who is the target to cover up for him.

[Sandoval] Something similar to this happened also in Malabon. A bystander got hit. He was caught in the line of fire.

[Question] How do you take such unexpected happenings?

[Rojo] As unavoidable, simply because you're after the target, you see, the moving target.

[Romero] What is being emphasized is that there will be no innocent victims. Nevertheless, when things do go wrong, we try to assess them. Once we find out that they are pure accidents, then we don't punish the partisan concerned with heavy blows.

[Question] In your training, is there any part which attempts to prevent such accidents from occurring?

[Romero] Yes. Training is valuably important. If you don't have any training, you may have a blackout and you'll treat everybody as an enemy. Training does make a difference in you.

[Question] Has this (what you told me) ever happened yet?

[Romero] Not yet.

[Question] Another thing, do you ever write, to clarify, to the family of the policeman or the military man who has been liquidated—to other policemen or military men who have witnessed you killing a policeman or a military man?

[Romero] Not anymore. In the countryside, that's still being done. But here, it is no longer done. (A moment of silence) Of course, it's very depressing. But what can we do? That's life.

[Question] Were you responsible for the death of a military man's son in Paranaque?

[Sandoval] Was that Amel Gonzales? No, we didn't do that. As a matter of fact, we sent an open letter on this matter.

[Question] For example, the night before the operation, a partisan somewhat gets scared, or, is having second thoughts, can he still resign from his role in an operation?

[Romero] Actually, before the operation, only those capable are chosen. Those who seem to have problems are excluded. For instance, those having concerns for their parents, those who may be heartbroken (Laughter)—those will not be selected in the meantime.

[Sandoval] Before an operation is planned, questions are already asked, like, "Okay, who has problems?" Questions are asked as to who carry chips on their shoulders, who carry a luggage of problems on their backs. Partisans with problems are sidestepped first.

[Rojo] In your day-to-day companionship, you would have an idea as to who to team with, whether he has problems or not. When it's time for the operation, then, you will have known him well.

[Romero] There's a certain peculiarity for the members of a unit to be close to one another, unlike those of the ND (National Democratic) collective or those of the P (Party) who are relatively loose. With the ABB or the NPA, comradeship is very close.

[Sandoval] In our case, if you don't call your post within 24 hours, it's already a cause for alarm.

[Romero] When you leave, you also have to say goodbye. You have to arrive at a fixed time. Thus, by the comrades' actions, you can tell if one has problems, if he's in deep thoughts.

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[Text] "Regarding the statement that we might develop in us the killer instinct,—it seems to me that it works only with the mentally deranged. That once there aren't any enemies anymore to be attacked, we will just attack anyone, is something that we won't do. That's not normal at all. That's demented, crazy."

[Question] Do you always go to the same base or the same house?

[Sandoval] No, we are mobile.

[Romero] Extremely mobile. And our formations are by teams. But there is a leader at the squad or platoon level. Everyone is attached to one another. Every when going to the movies, we go together. (Laughter.) Also when visiting parents or elders, a companion always escorts a comrade. Buddy system is it.

[Question] What are some of your regulations? For example, is drinking prohibited?

[Romero] No, drinking is not prohibited, but there is a limit.

[Sandoval] Getting drunk is prohibited.

[Romero] Before an operation, the basic rule is that there should be no alcohol in your body (system).

[Rojo] In fact, you should be exercising, too.

[Romero] Serious and careful preparations are made for the actual operation and the post-defensive action.

[Sandoval] The other do's and don't's are included in the general rules of the NPA. An example in this case is how men talk to women about things. All of this is in it.

[Question] How do the communities treat you, for example, when you withdraw after an operation?

[Romero] Usually, the people give us loud bursts of applause. They even help us withdraw.

[Sandoval] They point out to us the safe way to take (He's acting it out.) "Here, here is where you go."

[Romero] Actually, there are specific plans as to where we should move back. Nevertheless, the people still help.

[Sandoval] On the other hand, sometimes, in the market place, vendors drop terror on us. For instance, one vendor was looking for us, one time. He said that he would rather give us the peso-by-peso kickbacks than give them to the police. (Laughter) He'd rather pay us the kickbacks. "Where are the so-called NPA's?" "It's better if we give them the peso-by-peso kickbacks." (He said.)

[Romero] In Novaliches, on the other hand, the partisans collected milk, sugar, rice, and so on. They passed all of this on to a factory, to a union. The union people there said that they gave them to the NPA's. However, another district took them away from them.

[Sandoval] The unionists have insufficient supplies of milk, sugar, rice and so forth. (Laughter). Thus, they ask for help. That's okay with us. There's no problem. What's valuable is the support of the masses.

[Question] Have you studied the experiences of the NPA's in Davao?

[Romero] Yes. But it is necessary to sum them up clearly. We still haven't studied them well.

[Question] Why did you choose Alex Boncayao as the name of your unit?

[Romero] He was a laborer and a martyr. That's the simple story of his life. He was a martyr of the revolution.

[Sandoval] but the political history of Alex Boncayao is colorful. He joined in all forms of struggles. He ran in the 1978 elections. However, he realized that it wouldn't work. Thus, he joined the NPA.

[Question] How do you get in touch with your families? Aren't they your comrades too?

[Romero] My wife is in another field of action.

[Sandoval] Mine is, too.

[Question] Are there couples who work together for the ABB?

[Romero] There are, but they are in the minority. There are many more who have different assignments.

[Sandoval] For example, one is a combatant, the other is in medical or logistics.

[Romero] Even the countryside, there is less husband-and-wife togetherness in a work unit to lessen emotional factors in a tight situation.

[Sandoval] For example, in the battlefield, the husband will possibly protect his wife at the expense of others or even of the mission.

[Romero] You see, a person is vulnerable in such a situation. If something happens to one partner, the other may be carried away by his/her emotions.

[Question] What did you do during the 28 August coup attempt?

[Romero] We had a contingency plan.

[Question] Can you talk about it?

[Romero] No, probably not. There might still be another coup, you know.

[Question] But, is the person who attacked included in your plan?

[Sandoval] Yes. We had arrangements all set.

[Romero] What was being watched closely was whether the situation would continue to deteriorate. All our forces were on alert.

[Question] When would you have moved, just in case?

[Romero] The measuring rod was whether in this contest there was going to be a stalemate between the government and the rebel forces. Once a stalemate occurred, we would come in immediately. That was our calculation, eh.

[Sandoval] All our forces were intact then. The arms equipment were physically close to the partisans.

[Romero] The events were closely monitored. The operatives called almost every 15 minutes to report on the situation.

[Sandoval] Also, those in the highest command studied what could be done best.

[Question] Now, in the case of what happened in February 1986, what did you do?

[Romero] (Smiling) We didn't have any set arrangements then. We were still in the machinery-building phase.

[Sandoval] On the other hand, if the ABB then were in the same phase it is now, it would have been great.

[Romero] Actually, the intense preparations of the ABB were launched only in April 1986. This was at the time when partisan warfare was greatly improved. Thus, if reckoned with, ABB is just recent. It hasn't even been around for two years.

[Sandoval] Before, it was just a simple unit with very little combat support unit. That was all it was.

[Romero] Nowadays, the network and the machinery are vast and more extensive.

[Question] Don't you have security problems?

[Romero] As of now, none yet. With the enemy heat on us, if there were a leak, we would have been hit by now. It looks like there's no leak yet. We haven't been specifically targeted.

[Rojo] This can be seen in the enemies' zoning operations, eh. They're blind. They just keep on striking at one community after another. They hit other organizations instead, like KADENA and KMU.

[Romero] However, we know that now they have a plan to infiltrate the ABB.

[Question] How do you prepare for it?

[Romero] We have been looking for those who are assigned to infiltrate us, you know. (They laugh.)

[Question] Have you caught any yet?

[Romero] Yes, but not those for the ABB, those for the other sectors and the other underground organizations. Some have been trapped. There was one who we took away a letter from. Written in the letter was "I am about to be recruited by the ABB." (Laughter)

[Sandoval] There was also another one who gave us support who we didn't know then was an agent. After we discovered this we stopped asking him for support.

[Question] How many of your members have been killed or wounded?

[Sandoval] In the fighting, only one so far has been wounded. No one yet has been captured. One has already been killed.

[Question] Who is it?

[Sandoval] Jun Somono, from San Andres.

[Question] Wasn't he (the one) buried with a funeral march?

[Sandoval] Yes.

[Question] Do you publicize the killing of one of your members?

[Romero] Yes. There's no reason why we shouldn't. In fact, the members who died should be known.

[Sandoval] According to them (the enemies), whoever gets killed by the police is regarded as an ABB member. That's part of the psychological operations of the enemy. I think they need to do that in order to boost the morale of their rank and file.

[Romero] However, we know that even among those in their rank and file, there are some who do not believe that the partisans are the ones killed. These people know that those partisans claimed dead are in reality the salvage victims.

[Sandoval] They also know that those claimed dead are taken from prisons. Then, they are salvaged and the police and the military later on claimed that they are Sparrows.

[Romero] What's pitiful are the civilians and the sick and disabled who get involved.

[Sandoval] That's when we feel very sad, when civilians get smashed.

[Question] What is the effect of the operations on the Eagles against you?

[Romero] (While everybody is laughing) None. The Eagles have not affected us, you see. All they do is back-up support.

[Question] Aren't they engaged in zoning?

[Sandoval] They are. In fact, in Tondo, they captured 500 men.

[Romero] Tondo, Malabon-Navotas, Valenzuela, and Paranaque are the main targets of zoning. They targeted these areas as the muscle bases of the ABB. However, we weren't hit. They couldn't reach us. You see, even among the Eagles, we have contacts. In fact, one of our contacts is a CO (a commanding officer) of one of their squads.

[Sandoval] These are our sympathizers. They are obliged to follow orders because it's their profession. However, they also help us.

[Question] Do you do any organizing with either the police or the military?

[Romero] It's just in contact-building. Nevertheless, we're working on it.

[Sandoval] We have contacts with the police forces at Fort Bonifacio and at Fort Aguinaldo. There is indeed an organizing plan, especially with the police forces, because you see, not all of the policemen are our enemies; only those that the masses find repugnant, repulsive, those they cannot "stomach" in.

[Question] Is your death list released by the media genuine?

[Romero] We don't release our hit list.

[Question] Isn't it true that Butz Aquino and Teddy Benigno are your targets?

[Romero] No. They made it up. Our reason for this is simple—there are others who are much worse than these two. We don't scare them. We have an OB, an order of battle, but it's classified. However, if and when we are responsible, we make it known, we claim it, because it's also dangerous if you don't claim it publicly. Otherwise, the other elements might use the situation to kill aimlessly and then say that the ABB did it.

[Question] However, there were false accusations against you that you didn't refute?

[Romero] We only look into those accusations worth our while. If their propaganda is trash, why should we deal with it? (They laugh.) We take seriously only the significant ones.

[Sandoval] For example, the statement of the Metro-Manila Governor, Jojo Binay, that many of the Metro-Manila mayors are in our death list.

[Romero] That's crazy.

[Question] How about Jojo Binay, is he your target?

[Rojo] He says it all the time, but he is not in our list.

[Romero] It's just a product of his imagination.

[Question] Did you also study the experiences of the partisans in other countries?

[Romero] Yes. We've studied almost all of them.

[Question] What are the most precious lessons that you've learned?

[Romero] The most valuable lesson is from the daring operations of other groups in other nations. One obvious aspect of these groups is that they don't have organizing efforts.

[Question] Which groups are you referring to?

[Romero] For example, the Red Brigade (Italy), the Baden-Meinhoff Gang (West Germany), and the Tupamaros (Uruguay). To us, revolutionary action is for helping organize and mobilize the people for the revolution. For example, you liquidate a policeman. How does this help your objectives? How does this become revolutionary?

[Romero] Whenever we shoot a notorious policeman, the people keep silent. You see, based on our experience, whenever there is an informer or, there are abusive policemen, it is extremely hard to organize. The masses are scared of the military and the police particularly when they make atrocities. Thus, this impediment has to be prevented or eradicated. We shouldn't create shock or terror similar to that created by the other groups in other nations. In any case, the statement of the government that the members of the ABB or of the revolutionary movement are terrorists is very funny, at some point. What they mean is that we can terrorize the ruling class. And it is but justified that they are scared. What we don't want to happen is that the unpoliticized segment of the population might actually believe that we are indeed terrorists.

[Question] Based on your assessment, is this strategy of the government effective on large segments of the population?

[Romero] We haven't done a thorough study on it yet. However, in our areas, it hasn't been effective. The AP (Ang Partisano), the official magazine of the ABB, launched a house-to-house survey to this effect. We tried very hard to elicit negative responses, yet, the people instead responded thus, "Why don't you ask the rich?"

[Question] What can the people expect on connection with the war in Manila?

[Romero] Escalation is inevitable. The development of the revolutionary movement is rapid, especially the armed struggle. Similarly, the reaction of the enemy will also definitely intensify. It is necessary, too, that we do the same, that we meet the challenge. After all, they set up the pace of the fighting. Once the power and the intense level of pressure of the war that they impose on us no longer works, then they'll raise the level of the war we are in now. Thus, while the movement is progressing, it is inevitable that the gravity of the fighting will intensify.

[Question] What you mean is tantamount to saying that the military sets the pace of the fighting? On the contrary, we have heard that the ABB or the NPA is actually challenging the government in order to make the fighting much worse, isn't it?

[Romero] They set the pace. They are the principal players. They are much stronger. This can all be seen from the development of our struggle. Before, each ABB detachment had only 2 to 4 soldiers. Now, they are scattered all over the mountainsides. Thus, we are forced to meet their challenge. Before, there was the possibility to wipe out detachments (since they were fewer in numbers), but now they've made detachments into full squads (thus, much harder to wipe out). In turn, this has to be challenged, too. Nevertheless, the NPA has still the capability to wipe them out. But then, the military expanded the detachments into platoons. And still much later, they expanded them again into companies. Thus, the fighting will absolutely be intensified because if we don't pursue the pace of the fighting they've set up, then, the revolution will fail. Now, you see, even though the forces they confront us with are much bigger, yet, their sphere of operations is getting narrower. It used to be that one battalion of men could be scattered in one province, now, they are spread only in one town. The dynamics of revolutionary warfare operates in the same manner.

[Question] Do you mean to say that the current phase of the fighting will continue and will be much more intense?

[Romero] Yes. Unless, there is a decisive setback on the part of the revolutionary movement.

[Question] What, do you think, can possibly constitute a setback on your part?

[Romero] As of now, there seems to be nothing we can foresee which can constitute a setback.

[Question] There are also many who fear that what happened in Kampuchea might happen here, too—the killing didn't stop despite the fact that the revolution has won. It looks like war and killing have become a part of their culture. What do you say to that?

[Romero] Now, what I'm going to say is my own personal opinion. I think the victory of the forces in Kampuchea was surprisingly fast. I think their fighting lasted only 3 years. The revolutionary forces were still unprepared to handle victory. Thus, the physical annihilation of those against them became their objective. I believe that it wouldn't happen here.

[Question] Why?

[Romero] The movement here has already reached a certain level of maturity. We do not stress military solution in class contradictions. For example, once we

win, the class enemies left won't be killed. I think the revolutionary forces in Kampuchea didn't reach maturity. But this is based solely on the assumption that the reports of what actually happened there are true. You see, we talked to some people who came from Kampuchea who told us a different version of the story.

It is indeed true that we don't like war. Even if you ask the NPA's in the countryside, they don't like war either. This war is imposed on us by the situation, thus, we have to fight. Therefore, when the opportunity to stop the war comes, we will grab that opportunity immediately. One of our objectives is the elimination of war.

Now, regarding the statement that we might develop in us the killer instinct, (laughter), I think it will work only with the mentally deranged. We will not reach a point where that kind of psychological condition develops, because the war itself will not reach a stage where personal or emotional factors are involved. We are not going to do something like, once there are no more enemies to shoot, we are just going to shoot anybody. That's not normal behavior. That's crazy; it's absurd.

This can also be seen in the process of decision-making when it is decided as to who should be hit. Our discussions in this matter are forceful, serious, and intense. Many times we've made decisions to postpone shootings. For example, in one community, the masses recommended 5 people to be kept silent by killing them. Only one was chosen to be killed, the one who was the most shameless of all, the most brazen, so that through his death the other 4 men can learn a lesson, can become righteous. The simplest thing to do would have been just to kill them all wouldn't it? Yet, we didn't do it that way.

[Question] Is President Cory Aquino your target?

[Romero] (Smiling) Politically, yes. However, there is no plan to get (shoot) her.

[Sandoval] There are many others who are much more ferocious than Cory.

[Romero] Honasan and his cohorts might have that plan. Because the coup attempt didn't work, the plan of Honasan and company might be the assassination of Cory.

[Question] Oh, regarding Honasan, do you intend to fight against him?

[Romero] Yes, for sure.

[Question] What do you think of Illeto's statement that the intelligence work of the NPA is much better than that of the AFP?

[Romero] (Laughter all over) Probably, maybe. But what is certain is that their network was completely ruined when Cory took over and when the NISA (National

Intelligence Service Authority) headed by Gen. Fabian Ver was abolished. We have monitored 3 former NISA agents who didn't know where to pick up their salaries from and where to report to. Indeed, their units were dislocated. During the time of Ver, there were dwelling units. These were all routed. Now, they are trying hard to organize them again.

[Question] Is it true that there are base areas of the partisans that have already been pin-pointed by the military?

[Romero] They've been saying that for a long time. If indeed they really know where the base areas are, why

don't they raid them? Their officials say lots of things like that. Thank God, their superiors didn't faint, that is, get dismayed, upon hearing all this.

[Question] What do you think of your counterparts in the police and the military?

[Romero] There are many of them who simply talk a lot. Mere talk, that's all. Many of those who have thorns, those who really bit, were with Makoy before. However, the "boys" of Gen. Fidel Ramos say nothing. Those who are in the field of action are also genuinely competent. They know the dynamics of warfare.

8335/9738

**Minister Banhan Answers Charges of Corruption**  
42070056 Bangkok MATICHON SUT SAPDA in Thai  
15 Nov 87 pp 10-12

[Interview with Mr Banhan Silapa-acha, the minister of communications; date and place not specified]

[Text] [Question] Have you read the "black paper" by the opposition parties?

[Answer] I plan to issue a "white paper" responding to every charge. It will be printed very soon. I will also issue a transcript of the debate in parliament. I will distribute this as a New Year's gift. That's the full tape. It's not excerpts.

Take the first issue, the resurfacing of roads. The first issue concerns bids on resurfacing the roads using hot mix. This system has been in use for a long time, and it is widely accepted in engineering circles. As for what happened, I have many documents. These documents show what the facts are. Anyone can publish them. As for people engaging in corruption, we have to see what prices were stipulated. There had to be a medium price. This medium price was below the bid in 1986, which is before I took this position. And it was below the medium price set by the department. This is the first point, which I did not know about before.

Second, each job was for approximately 1 million baht. There were several hundred roads. The department had the right to give approval. This did not concern the ministry. After the reports about corruption appeared, I called in department officials. They said that they did not know if anyone was working together. Because the bids were submitted properly and the cost did not exceed the bid or the medium price, the department had to give permission. There was no reason to cancel this. The department assured me that this was the way things had been done. I said that if it was not true, I would transfer them immediately. I said this in parliament. Suppose that there was corruption, if I found out about it, I would have brought this to the attention of parliament. If a billion baht was involved, the minister would have to know. Because the minister would have to obtain authorization from the cabinet. Because before you can do anything today, the cabinet resolution of 1984 requires that the Bureau of the Budget control the medium price. But if the cost does not exceed the medium price, authorization can be given. Why do we pay attention to the medium price? In some cases, the low price depends on the work backlog. If the contractor has much equipment but little work, he may cut his price by 20-30 percent. But if the work is in a remote area or area where conditions are difficult and few people are interested in the job, the price will be close to the amount budgeted. We have done studies on why the price is sometimes much lower than the budget and sometimes near the budget.

There must be a medium price to serve as a standard. We can't rely solely on the bid. Because sometimes, the contractors don't have work, and so they are very competitive as I said. But if they have a heavy backlog of work, they may submit bids that are not very competitive. In this case, we have stipulated prices. For example, how much does each one want for a cubic meter of rock or sand? They cannot make changes. Changes depend on the Bureau of the Budget. It depends on what price they will give. Thus, as for this hot mix, I told parliament that the minister does not have the right to get involved. But if he finds out that things are not being done properly, he must correct things. This is the proper way to do things. There is no way that I could know about this, because this was a secret settlement.

Those named in the Black Book have been submitting bids to the Department of Highways for 30 years now. They aren't going to go out of business. Whoever becomes minister has to deal with these companies. You can't drive them away. But we have to ensure that things are done legally, that there isn't corruption. We have to monitor this.

[Question] There are rumors that the company that won the largest bid is a company in which your family owns shares.

[Answer] If it is a family company, it's been in the family for 30 years. And so why did it get so much business during the time of the previous minister of communications? In the construction field, I know more than 10 companies. How can those be called family businesses? As I said, people who know each other have to be careful because of the fear of doing something wrong. But not knowing each other is dangerous, too. I explained this in parliament.

To say that this is a family company and that something must be done.... We have to be fair. Just because a person becomes minister of communications doesn't mean that he can't meet old acquaintances. Say that you and I are friends and that I become minister. That doesn't mean that you can't come to see me or come to the ministry.

[Question] Is the Sisaeng Kanyotha Company your company?

[Answer] That company has been doing work for the Department of Highways for 30 years. How could I prohibit it from doing this?

[Question] But is it your company?

[Answer] No. No. People misunderstand. I don't know anything about it. I have known them for 30 years. I know many companies besides this company. I have not engaged in business activities for 12 years. And so how could I be involved in this? They claimed that the Sisaeng Company owned shares in a chemical company

that I established. Many people own shares in the company. This company sold shares publicly. Anyone can engage in business. You can't say that this is my company. You have to understand the business system. Otherwise, no one will be able to buy shares. Nothing will be done.

[Question] Some people say that whenever bids are submitted, this company always gets the bid.

[Answer] During the year that I have been here, they have been awarded bids totaling 170 million. But in another 3 year period, they were awarded bids totaling more than a billion baht. I have revealed all the figures. You can go and ask others. Today, the Sisaeng Company is on the verge of bankruptcy because of the lack of work. Before I took this position, they had much more work. This is the truth. Go ask others. But you have to ask those who are neutral, who are not biased. Today, bidding involves very fierce competition. In the past, they received jobs worth 400-500 million a year. In 1984, they were awarded jobs worth 400 million. In 1985 it was 500 million. And in 1986 it was almost 1.4 billion baht. Business was very good those 3 years. And they could come to the ministry. Now, they can't come, because they are afraid of what people will say. This is the truth.

[Question] Second, what about the construction of the highway from Lak Si to Minburi and the Chiang Mai-San Pa Tong highway?

[Answer] These are just rumors. There is no evidence. This is from the period when Mr Chamlong Salikhup was the director-general of the Department of Highways. I have an order that was issued in April 1985. It stipulates that the department has the right to allow people to buy designs and to stipulate conditions and criteria. I have ordered that this be revised. For example, they can stipulate who is 15 percent late or 10 or 5 percent late. This is not correct. I have found evidence authorizing the department to stipulate that those whose work is 5, 10, or 15 percent behind schedule have the right to purchase designs. The reason given by the department is that contractors who submitted low bids have abandoned the work. When they abandon the work, the department has to call for new bids, which are usually higher. Today, the Bang Na, Chiang Mai, and San Kamphaeng road projects have all been abandoned. The bids were too low. Several jobs have been abandoned. Today, the department feels that if a company has two jobs, it will not be able to complete things on schedule. They have stipulated that if the work is 5 or 10 percent behind schedule, they can't purchase designs. Previously, it was 15 percent, but now it is 5-10 percent.

[Question] A third charge is that you conspired with Highway Department officials and corrupt contractors to resurface the roads with "cheap seal."

[Answer] Actually, I should be praised for this. If I hadn't done this, we would have had to use "selery" seal, which costs 30 baht a square meter. Without this, I would have had no choice but to use the "selery" seal system, which was used last time and which cost 30 baht. That's documented. And it's not as good. Department officials at all levels feel that the "cheap seal" system is the best system. It won't break apart. Today, there are many roads with cracks. The system used was not suited to the geographical conditions. It's humid here. You should ask Manat about this. He has come under attack, too. When I took this position, I didn't know who was who. We had to rely on the old committee. After I took over, I held meetings with the specialists. I discussed things with people from AIT [Asian Institute of Technology] and from Kaset Sat and Chulalongkorn universities. They all said that the system used in the past was worthless and that we had to do things this way. They said that this was the only way. That system is a monopoly system. But if we wanted to use the "cheap seal" system, in order to avoid criticism.... That is, in the past, we used baskets to dump the material. Now, we use machinery. I don't know how the "selery seal" system is registered. There are just a few companies. I told them to go observe things, and they copied things. They copied things exactly. There must be a Letter of Credit and so on. How can we know? They are required to register. But we don't know if they exert pressure. But the results have been good. Using "cheap seal" has reduced the cost to about 10 baht per square meter. How much was the other system? Thirty baht per square meter! This shows where the corruption is.

[Question] The fourth charge is that you have used your power to transfer budget funds from other provinces for use in your province and in provinces of MPs from the same party.

[Answer] Initially, it was said that I transferred funds. Later on, people realized that these were revitalization funds. Initially, the newspaper articles said that I had transferred funds. Actually, the truth is that those were revitalization funds. Every government unit requests revitalization funds. The Department of Highways put in a request and was granted funds for about 10 highways. This was considered by a subcommittee and a board. No one pulled strings. Requests for such funds are screened carefully by officials. I did not shift funds. I did not shift funds from the central fund or any other fund. As for people saying that the funds went to my province.... Hell, there are only two highways in my province. In the past, when I was a member of the opposition, I voted funds for 10 highways. In 1984, I authorized more than 400 million baht, of which only 30 million went to me. By this I mean Thai Nation Party MPs. Other parties, including opposition parties, requested funds, too. By chance, I had little time that day and so I didn't have a chance to explain things. Whenever someone requests funds, we have to consider this carefully. If roads need to be constructed, money is allotted.

[Question] Fifth, it has been charged that you changed the highway construction plan outlined in the Sixth Development Plan.

[Answer] I did not make any changes. If someone makes a request, I issue an order. Funds can be allotted for any road if it is an important road. Today, there are many requests. Three years into the plan, MPs will probably criticize me, right? It isn't necessary to include every road in the National Economic and Social Development Plan. The plan states that we are to improve, repair, and maintain the main highways, secondary highways, and provincial roads. This can be included. This is the broad policy stated in the Sixth Development Plan. Because in the Fifth Development Plan, the Development Council slowed the construction of main highways, secondary highways, and other roads. But when the Sixth Plan was formulated, they realized that this had been a mistake. The roads were not being maintained. Thus, in the Sixth Plan, they stepped up this work and provided large sums for this. They couldn't list all the roads. If someone or if a province submits a request, the department will consider it.

[Question] Sixth, you have been charged with using your influence to put pressure on the Department of Highways to resurface roads that didn't need resurfacing, which made it necessary to use additional funds. It's said that you did this in order to win votes in Suphanburi Province.

[Answer] I don't know anything about this. Road resurfacing is a technical matter. There are two systems, asphalt-concrete and double surface. The quality is about the same. But a double surface road is somewhat rough. An asphalt-concrete road is smoother. This depends on the traffic. If there is little traffic, they say that you should use a double surface. At that time, planning had been underway for 2 years. We considered the matter and felt that large numbers of people would visit Wat Phairongwua, which would mean a large increase in the volume of traffic. At that time, they had been designing things for 2 years. They thought that traffic would be light. But later on, it was found that traffic would be heavy. They used double surface. That was within the budget, which was set at 60 million. But after fighting over this, there was only 51 million. This is not a major issue. It's a question of how heavy traffic will be. It's a technical matter. It's a question of what is most suitable.

[Question] A seventh charge is that you have used funds incorrectly in order to make illegal profits. It's said that you have used revitalization funds to build roads in your province.

[Answer] The Department of Highways has its own policy. If this concerns an inter-provincial highway, they can do this. You can see where this has been done. This was done in Phitsanulok. I showed the plans to parliament. There was nothing wrong.

[Question] The eighth charge concerns the monopoly on asphalt.

[Answer] I don't know what to say. Who has the monopoly and who is responsible for this? The OCCC [Office of the commission to Counter corruption] investigated this in 1985. When I was appointed to this position, a letter was sent from the Office of the Prime Minister ordering an end to the monopoly and telling the ETOT [Express Transportation Organization of Thailand] not to sign any more contracts with Thip Ko Sa. Because they had a monopoly, which prevented others from buying and selling. No one could sell pure asphalt. But they could sell asphalt mixed with water. When the matter reached the cabinet, point No 9 was concealed. Equipment used to produce asphalt must be capable of preserving mixed samples. This was stressed.

The ETOT stipulated that it wanted a monopoly on delivering asphalt to the Department of Highways. No one else could make deliveries. A 15-year contract was signed with the ETOT. There is an OCCC document. I had to do away with both. The new bid was for 50 million. I have documents. This will be in the White Book. As for the charge that only Esso can sell, I don't know the facts about that. There must be some hidden motive. Such as MC-70 asphalt. Because the department feels that MC-70 asphalt can be used just like MC-70/100 asphalt. You will have to ask the Department of Highways about this. I don't know very much about this. I just know what to do to prevent someone from gaining a monopoly. I am trying to prevent people from gaining a monopoly again. That's all I know. I don't know anything about the technical aspects.

[Question] Your business ventures concern road construction, too, isn't that right?

[Answer] You are talking about a personal matter from the past. I was involved in such activities. I did things legally. But I stopped engaging in those activities after I became involved in politics. People have leveled various charges. I haven't responded to many of these charges yet.

[Question] After the debate that day, did you feel that you had been cleared completely?

[Answer] It all depends on the explanations given. The MPs can all think for themselves. It's difficult for anyone to influence them. Before the debate ended, the Democrat Party called a meeting for 2100 hours. But I talked until 2000 hours. I talked for 1 hour and 45 minutes. The Democrat Party, that is, Mr Trairong and Mr Banyat came and shook my hand and told me that I had clarified things and that it wasn't necessary to hold a meeting. And so I canceled the meeting. That made me happy. I don't have to say whether I clarified things or not. Many people from Suphanburi came and listened that day.

Most were illiterate villagers. After listening to the opposition, I asked them what they thought. They told me that I had explained every issue. That made me happy.

This experience has taught me that a lack of knowledge of the facts can lead to a misunderstanding. This is something that must be corrected. I don't want to accuse people of lying. They may not have known the truth.

[Question] The opposition seemed to focus mainly on the Department of Highways.

[Answer] I know. I spent 15 days preparing. I prepared at the Department of Highways. When they said that I had transferred funds, I presented evidence in parliament. I didn't write anything. I had written that they could do anything. I approved both systems. But the money and... They made that up. I did not order that. I have been in this position for 14 months and know what is going on at the Department of Highways. I have investigated things, and this has bothered certain people.

[Question] Did having to fight alone scare you?

[Answer] Before I answered, I thought of Luang Pho at Wat Pa Lelai. I thought of the city protector and the things that I have accomplished. I prayed that I could respond to all the charges leveled by the opposition. That gave me great self-confidence. I didn't even have to look at all the notes I had made. I had prepared four pages, but I didn't look at all of them. I explained what I had done and what committees had been formed. I told them everything. You can ask unbiased MPs. They have said that I cleared things up. I am happy about this. As for my buying votes, that's absurd.

[Question] Some MPs have said that this debate was like erecting an ATM machine in front of parliament.

[Answer] If one had been erected, the opposition would have only 20 seats left. I couldn't do that. I am not like that. I had only one concern. If I hadn't been able to clarify things, I would have had to resign. I studied every state enterprise, person, and issue. Thus, I was able to answer every question immediately. I was very careful and had to look back starting from the Ministry of Agriculture. I have acted properly. I had to leave the Ministry of Agriculture because of the fertilizer issue. But I was satisfied with what I had done. When I left, I could hold my head high. I am very proud of what I have done. I consider myself to be a person of great value.

[Question] In that case, why do you have a reputation as a person who likes to distribute money?

[Answer] I am a generous person. And the amounts involved are small. I didn't start doing this just recently. I have done this in my home province for 30-40 years. For example, in my home province, when I make merit, if I give only 500 baht, people will complain and say that

I should give 1,000 or 2,000 baht. It's just because I am generous. I don't think that money is very important. If I can help someone in trouble, I do so. I don't worry about being compensated.

[Question] What about the other MPs in your party?

[Answer] I have looked after people. During the 10 years that I was a member of the opposition, I looked after the Thai Nation Party MPs. Ask people. I took care of people. If someone had a problem, I helped them.

[Question] Will you help MPs who belong to an opposition party?

[Answer] No, I won't help them. I stay out of the affairs of the opposition parties. The only people I help are those in my party. There are many people in my party who need help. I have almost reached my limit as is.

[Question] There are rumors that the day before the motion was submitted, people were asked to donate 50,000 baht each.

[Answer] I don't know anything about 50,000 baht. That may have involved another faction that wanted to take votes away from me. Having gone through all this, there isn't anything that can frighten me.

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### Government Foreign Reserves

42000131d Bangkok *THE NATION* in English  
3 Dec 87 p 17

[Article by Vatchara Charoontantikul: "Government Foreign Reserves To Hit \$5 Billion"]

[Text] Thailand's foreign exchange reserves have swelled to their highest level ever and should cover about five months' imports, according to the Bank of Thailand.

Vijit Supinit, the central bank's director of banking, said yesterday that foreign exchange reserves should rise to about US\$5,000 million by the end of the year. This is an increase of about \$1,200 million over the position at the end of last year.

At the end of 1983 the reserves were only \$2,500 million following the country's disastrous trade deficit of 91,000 million baht.

Vijit said that the improvement was partly the result of appropriate international monetary policies that have given Thailand a balance-of-payments surplus. Despite the troubled dollar and the baht's appreciation, he said, capital flows have remained normal with a net inflow.

He predicted that baht liquidity in the banking system would tighten up as the new exporting season progresses and banks lend more. He noted that in the repurchase market banks had changed from being net investors into net borrowers, taking 1,000 million baht at each of the two daily sessions.

This has strengthened the repurchase interest rates, Vijit said. Average rates were 5 per cent on Friday, and they rose through 5.25 per cent on Monday to 5.3125 yesterday.

One sign that export credit is picking up, he said, is the increase in outstanding use of rediscount facility which is now at 18,000 million baht compared with 15,000 million baht at the end of August.

Since July the Bank of Thailand has made 34,000 million baht available, including 2,200 million baht for rice mills.

This time last year, he said, outstanding rediscount loans rose to 25,000-26,000 million baht and the trend this year is for an even higher figure. The Bank of Thailand is making more available.

Commercial banks will have to turn to the Bank of Thailand more in order to make these loans, he said, as they run down their own liquidity.

Private sector credit has been expanding at an annual rate of 17 per cent, while deposits have been growing at an annual rate of just over 16 per cent, a gap of about 0.5 percentage points, he said.

/06091

### New Rescue Package for Finance Firms

42000131e Bangkok *THE NATION* in English  
4 Dec 87 pp 19, 21

[Text] The Finance Ministry yesterday relaxed ownership limitations for finance companies ailing since near disaster in 1984 so both local and foreign financial institutions can inject much-needed capital.

The decision is widely viewed as an attempt to avert political pressure from the Finance Ministry which earlier promised to settle within five years the financial and managerial problems in firms subject to a rescue package in April, 1984.

Finance Minister Suthee Singhasaneh chaired yesterday's meeting of senior ministry officials and representatives of the Bank of Thailand.

Guidelines were set to permit local and foreign financial institutions to obtain shares in 13 firms still in the scheme. Three are considered to be open to share divestiture and professional management services.

The meeting ruled that interested foreign and local financial institutions must be highly credible and willing to inject sufficient capital to shore up the firms' financial standing.

They must also be willing to share existing burdens as none of the companies has turned to profit and they must provide additional management expertise.

The ministry lifted ownership restrictions for these finance companies above the legal limit of 25 per cent for foreign institutions and 10 per cent for Thai commercial banks.

A committee headed by Deputy Finance Minister Supachai Panitchpakdi was formed to negotiate with financial institutions interested in supporting the ailing firms.

Other members of the negotiating committee are Nibhat Bhukkanasut of the Fiscal Policy Office, Ekamol Kiriwatana of the central bank's Bank for Supervision and Examination and Jaroong Nookwan of the Financial Institution Supervision and Examination Department.

Negotiations are said to have already opened with Mitsubishi Bank and Trust of Japan which is interested in holding shares in Thanantan Finance and Securities. Thanantan chairman, Nibhat, who is also deputy director-general of the Fiscal Policy Office, was asked to stay on for another three months.

Nibhat vowed to resign after the Securities Exchange of Thailand ordered Thanantan to contribute to the broker-sponsored Ruam Pathana Fund.

Bank of Thailand Assistant Governor Paisarl Koomalayavisa said financial institutions from Japan, the United States, Britain and France expressed interest in investing in the Thai finance companies. He said each would contribute 100 million baht to the rehabilitation bid.

But the rescue scheme is already entering its fourth year. The Finance Ministry earlier promised the Government and Parliament that these finance companies would recover within five years.

Those at the meeting yesterday were said to be aware of the deadline commitment and the political uncertainties.

Apart from Supachai, Paisarl, Nibhat and Suthee, the central bank Governor, Kamchorn Sathirakul, and his deputies Chavalit Thanachanan and Ekamol attended the meeting.

Also there from the Finance Ministry were Permanent Secretary Panas Simasathien and Director General of the Fiscal Policy Office Aran Thammano.

Central bank representatives also submitted a report of assistance given to local financial institutions in the rescue scheme.

The soft loan portion amounted to 12,365 million baht, of which 11,000 million baht was channelled to the commercial banks.

Asset financing or collateral amounted to 1,345 million baht and capital participation to 2,939 million baht (capital injected into three banks amounted to 3,098 million baht).

The meeting, which focussed on the scope of finance companies, heard a report that of 25 companies initially in the rescue scheme 13 were left, following the sale of five to former shareholders and the merging of nine companies into two.

The newly-established Thananant Finance and Securities Co was formed in the merger of six firms and Sinwattana Finance and Securities Co from three firms.

The 13 companies have total assets of 18,000 million baht excluding soft loans and asset financing but including the capital injection from the authorities. But they still shoulder accumulated losses despite injections since 1984.

The basis of the decision yesterday was that Thananant could cut its debt with the entry of foreign investors.

The company has subsequently been instructed to improve its assets in order to attract investors who may participate in subsequent capital increases if necessary.

According to the plan, local banks including Krung Thai Bank, Bangkok Bank of Commerce, First Bangkok City Bank and Siam City Bank will each hold 10 per cent of Thananant's equity. Foreign investors will be permitted to hold up to 30 per cent.

The company has accumulated losses of 200 million baht and a certain amount of dormant assets.

Supachai said there are three finance firms in which foreign financial institutions have expressed interest. "We will negotiate in order to minimize the financial burden of the state," he added.

The government earlier released the ailing finance subsidiary of the PSA Group to Australian Guarantee Corp Ltd which now holds 80 per cent of the equity.

The Fund for Rehabilitation and Development of Financial Institutions has taken up the remaining shares in the company renamed A.G.C. Finance Co. The company received a soft loan of 50 million baht from the central bank.

Australian executives of A.G.C. said earlier that the recovery of doubtful debts brought about by the former management was taking longer than anticipated but they were happy with progress.

Suthee also said that the state-owned Krung Thai Bank will increase capital by 1,250 million baht this month and a similar amount in the first quarter of next year to maintain its financial balance.

The minister said the bank has to increase capital quickly in order to support the monetary policy of the central bank. The bank will also stop accrued interest rate practices.

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#### Panel Formed To Sell Government Finance Firms

42000129f Bangkok BANGKOK POST in English  
4 Dec 87 p 17

[Text] As finance, securities and credit foncier firms under the April 4 life boat scheme will officially be up for grabs, a committee has been set up to handle negotiations with both foreign and domestic financial institutions which want to buy.

It was also agreed that Thananant Finance & Securities Co, a merger of six finance firms under the scheme, will be given more financial assistance to pull it out of the red and make it attractive to foreign financial institutions.

According to Finance Minister Dr Suthee Singsanee, these decisions were reached yesterday during a meeting to assess the situation of all the firms in the life boat scheme which has been supervised since last year by state-run Krung Thai Bank.

#### Meeting

Attending the meeting chaired by Dr Suthee yesterday were chairman Dr Aran Thammano of the April 4 working group, Bank of Thailand Governor Kamchorn Sathirakul, Deputy Governor Chavalit Thanachan and Assistant Governor Paisal Kumalvisai, the Bank of Thailand's Bank Supervision and Examination Department Director Ekamol Khrirat, the Bank of Thailand's Financial Institution Supervision and Examination Department Director Charoong Nookwan, Permanent Secretary for Finance Dr Panas Simasathien, Fiscal Policy Office Deputy Director-General Nibhat Bhukkasut and Deputy Finance Minister Dr Supachai Panitchpakdi.

Dr Suthee said after the meeting that further assistance in the form of asset financing was necessary for Thananant as the firm is still suffering losses.

"We have to help Thanantan become profitable so as to make it attractive to foreign financial institutions seeking equity participation. If it is still a money-losing operation, nobody will want to be a partner."

The meeting also agreed to extend from December for three months the tenure of Thanantan chairman, Mr Nibhat, and managing director Pong Savetsila.

Dr Supachai said it was agreed that a special committee be set up to handle the sales of companies under the April 4 life boat scheme to both foreign and domestic financial institutions.

The committee is made up of Dr Supachai, Mr Cha-roong, central bank's chief spokesman Siri Garncharoen-dee and Mr Nibhat. It will also work out terms and conditions for those who want to buy into the firms under the scheme.

"There are several foreign banks and finance firms interested in buying into these firms, but no formal negotiations have ever taken place," Dr Supachai said.

"Now that we have the negotiating body, we will invite them to negotiate with us on an official basis. At least four banks—three foreign and one Thai—want to buy into these firms at the moment."

There are now 19 firms in the life boat scheme including Thanantan.

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#### **Editorial Warns of Decline in Buddhism**

42000130b Bangkok *THE NATION* in English  
20 Nov 87 p 4

[Editorial: "Major Values of Buddhism Mustn't Be Allowed To Fade"]

[Text] Thailand is one of the world's largest Buddhist countries. The Thai people have always prided themselves for being "good Buddhists." And in fact, Buddhism is widely considered as one of the three main pillars of the Thai nation; the other two are the monarchy and the people.

Yet, the government and most of the urban Thais are taking Buddhism for granted, so much so that little attention is given to the need to promote the teaching of

Buddhism. Religious Affairs Director General Adul Rat-tanonda reported on Wednesday that few of the 300,000 Buddhist monks in this country are qualified to teach Buddhism and morality. This, we think, is a serious problem. In fact, it is a crisis threatening the future of Buddhism as one of the essential parts of the social structure of the Thai nation.

Every day we hear reports about Buddhist monks engaging in spreading superstition and in activities that are against Buddhist precepts, such as giving lottery tips and forging papers to apply for royal decorations. We see some abbots and other senior monks in major monasteries in Bangkok and other urban areas live in luxury although worldly comfort, Lord Buddha said, was the source of suffering.

The Sangha Supreme Council, the government body of Buddhist monks, seems to be perpetually preoccupied with bureaucratic hassle in handling promotion for Buddhist monks. Its leadership in defending Buddhism and promoting the teaching of Buddha is weak, to say the least.

The government, on the other hand, has given a low priority to the need to develop Buddhism. The Religious Affairs Department, for example, receives only 21 million baht in the current fiscal year for the development of Buddhist teaching centres all over the country. The allocation is minute when compared with the mammoth task, considering the fact that only 75 of the 19,000 Buddhist teaching centres all over the country are up to acceptable standards.

Without appropriate facilities to educate Buddhist monks on Buddhism and morality, we cannot expect the monks to be able to teach Buddhism to laymen, let alone provide moral leadership in their communities.

No wonder then that a large number of Thais are turning to find spiritual comfort in faddy cults. Many urban Thais, who no longer practise Buddhism or simply don't know how, find solace in "material tranquilizers," roaming air-conditioned shopping malls endlessly on weekends and indulging in vices and corruption.

Our nation cannot prosper if its growing urban middle-class has a weak moral fibre. A revival of Buddhism is sorely needed now. But who will provide the leadership in this revival?

/06091

## POLITICAL

### Reader Asks That Party, Organs Words, Deeds 'Go Hand in Hand'

42090056 Ho Chi Minh City *SAIGON GIAI PHONG* in Vietnamese 21 Oct 87 p 1

[Article by Vu Dang Ngan in the column "Speak Frankly, Speak the Truth Forum": "Word and Deed Are Part of the Character of A Truly Revolutionary Party"]

[Text] The situation in which word does not go hand in hand with deed, people do easy things and abandon difficult ones, and work is left unfinished has been the reason behind the party's failure to carry out fully and correctly many of its major policies and positions. The country's socialist economy is facing more and more difficulties. The party and state machinery in many localities appears less effective, in terms of both its capabilities and its quality.

The consequences of the above-mentioned situation are such that the masses have lost confidence. Let me cite a few examples:

—In the last few decades, mostly after we had started the cooperativization of agriculture, we discovered many irrational aspects of the policies on agriculture, particularly the policy on purchasing farm products; as a result, farmers have not shown eagerness in doing productive work, while their life has become full of material and spiritual hardships; we also discovered a class of "new village bullies" in the countryside, who still dominate the working people in many localities. The fact that the lack of democracy in the party, the state machinery, and society has lasted too long is creating an atmosphere of spiritual hindrance and depriving many members of our society of their ownership right, while we impassively claim that "the people are masters."

—In the fields of literature and arts, education, public health, and science and technology, although we have often said they are important and decisive, the fact that our word does not go hand in hand with our deed has recently led to a "state of degradation" of worrisome levels.

Following our Sixth Party Congress, as the trend toward reforms takes place in the world socialist system as a whole, a renovating atmosphere is prevailing in our country. After the "criticisms and self-criticisms" have come the so-called "Speak frankly and speak the truth" and N.V.L.'s "Things that need to be immediately," which have opened up the road to making social relations healthier, but there still exist myriad difficulties. This is because most of what has been recommended still remains just word, rather than deed being fully carried out, nor has it brought about great and realistic results, which may have created favorable conditions to restore the masses' confidence.

Many problems still lie ahead. The party and state organs must stress the behavior of living up to one's promises and overcome at any cost the current lack of balance between "word" and "deed," if they want to move forward.

5598

## ECONOMIC

### Directive on Urgent Work in Statistics Sector

Issued

42090061b Hanoi *TAP CHI THONG KE* in Vietnamese Aug 87 pp 1, 3

[Text] In past years, cadres, workers, and civil servants in our sector have made a big effort to overcome difficulties in daily living and work, which is aimed at collecting and synthesizing information to serve party and state leadership. Many collectives and individuals have received commendations and rewards from their leaders for their achievements in the socialist emulation movement. Apart from these achievements and results, these still remain, however, unsatisfactory activities that affect adversely the work, thoughts, and feelings of cadres and workers.

Implementing positively the resolution of the Sixth Party Congress and supporting fully Comrade Nguyen Van Linh's directive on "What Should Be Done Immediately," the general department orders all its units to guide cadres and workers to review all their work and unfinished jobs and to determine things which need to be done immediately as well as plans and measures for implementation.

The main things to be done right now are, as follows:

1. Stop the practice of tampering with investigative data and of filing false results due to an obsessive quest for achievements and for group, local or personal interests. Through administrative work, bend over backward to discover negative cases in management, primary collection of data and submission of statistical reports. In coordination with responsible organs, solve and prosecute violations promptly in order to restore discipline and order to statistical work.

2. Use state-supplied funds and provisions with maximum thriftiness and avoid the practice of showing off and using means and equipment beyond regulated norms.

Apply accurate economic accounting to production and business activities and make public plans for welfare distribution.

3. Encourage individuals and collectives to speak out and uncover negative phenomena inside and outside government organs and implement internal democracy.

Examine, investigate and study carefully petitions, complaints, and denunciation including anonymous mail, taking care to solve strictly and send out answers promptly to petitioners. A public and prompt reply is in order whenever a negative case is aired by radio stations or newspapers involving a unit chief.

All leading echelons should take it upon themselves to overcome patriarchy, overbearingness, and the practice of carping at cadres and should not hinder the effort to investigate and solve negative instances in their units. At the same time, they should criticize and handle appropriately instances of abusing the struggle against negativism for slandering, distorting the truth, and causing internal troubles.

The general department asks unit chiefs to coordinate with CPV committee echelons and the executive committees of trade unions and the Ho Chi Minh Communist Youth Union in their units to implement this directive properly and make subsequent reports to the general department.

This directive is disseminated to all cadres, workers, and civil servants in the general department.

Director, Statistics General Department Le Van Toan  
Hanoi, 10 August 1987; Directive Number:  
04 TCTK/VP

9213/08309

**Council of Ministers' Decision on Adjusting Accounting Rate**  
42090054a Hanoi NGOAI THUONG in Vietnamese  
25 Oct 87 p 1

[Article: "Council of Ministers' Decision on Adjusting the Internal Accounting Rate Between Vietnamese Dong and Trade Rubles and American Dollars"]

[Text] On 10 October 1987, the chairman of the Council of Ministers issued Decision No 290-CT on adjusting the internal accounting rate between Vietnamese dong and Russian rubles and U.S. dollars as follows:

Article 1: It is now stipulated that the internal accounting rate between Vietnamese dong and rubles and U.S. dollars are as follows:

—150 Vietnamese dong equal 1 trade ruble.

—225 Vietnamese dong equal 1 U.S. dollar.

Article 2: With respect to currency from other socialist countries, the State Bank, based on the internal accounting rate stated in article 1 and the relationship to the American dollar on the international monetary market, will have unified exchange with the Ministry of Finance to stipulate the specific internal accounting rate for each currency.

Article 3: Should the domestic pricing system or international pricing system fluctuate up or down in excess of 20 percent compared with the general price level used as the basis for calculating the current rate, the Ministry of Finance and related sectors will conduct a joint review and recommend that the Council of Ministers make the decision to alter the rate.

Article 4: The internal accounting rate stated in article 1 is applicable for settlements of an internal nature on foreign currency receipts and expenditures for:

1. Import-export business operations by means of trade, loan, and aid sources of capital.

2. Transportation and insurance fees and related expenditures for import-export goods.

3. Foreign currency receipts and expenditures from other fields of foreign service business operations.

4. Foreign currency receipts and expenditures from international loans and aid the State Bank pays to the state budget.

5. Foreign currency receipt and expenditure payments of another state trade nature not applicable to the official exchange rate.

Article 5: The internal accounting rate stated in article 1 does not apply to enterprises engaged in joint ventures with foreign countries.

Article 6: This decision is effective on 15 October 1987.

Article 7: The Ministry of Finance is responsible for coordinating with the State Price Commission, the State Bank, and the Ministry of Foreign Trade in guiding implementation of this directive.

Signed: Chairman, Council of Ministers

Vice Chairman

Signed: Vo Van Kiet

6915

**Temporary Regulations on Hanoi Private Economy Reviewed**

42090061e Hanoi TIEU CONG NGHIEP THU CONG NGHIEP in Vietnamese 16 Oct 87 p 3

[Text] More than 4 months after the Hanoi municipal committee's temporary regulation on encouraging dual production, the family economy, and individual enterprises was announced, substantial initial results have been noted, especially in four urban wards. Although these wards have had great trouble developing

small industry and handicrafts, they have opened an additional 1,445 installations with 5,000 laborers, guided by an eagerness to produce for domestic consumption and export.

These figures are enough to prove that, although the temporary regulation is relatively new, its purpose of encouraging the above economic components is correct. However, in the implementation process flaws have been noted. Producers "gripe" aloud about tax collection. The regulation entitles new producers to a 1-year tax reduction; however, compliance is poor due to a lack of specific guidance. Those engaged in both production and service trades continue to pay taxes. Nevertheless, we should watch out for those taking advantage of the regulation to escape taxes. Clearly, tax collection should be based on concrete regulations and official texts to reduce collector misgivings that may affect production and, worse still, lead to tax losses. Another important matter, which has a decisive impact, involves supplies. Provision 5 of the regulation stipulates that state commercial organs should foster the dominant role of the state economy, striving to sell some supplies, raw materials, and spare parts to individual production, the family economy, and service trades as a mark of support and encouragement. But in practice, producers are "on their own," looking for supplies and raw materials in the free market at the risk of constant price fluctuations and police raids and investigations. They are also unable to find customers for their products. In general, however, individuals worry more than groups. Municipal trade organs, ward service corporations, and subward marketing cooperatives are required to control goods at production installations, guiding and creating conditions for them to sell their products to the state, but this has yet to be done in a widespread basis. Problems arising from power supply, rents for additional production installations, and production in residential homes, etc., are not solved realistically and satisfactorily by concerned organs, committees, and sectors.

The municipal union of small industry and handicraft cooperatives has petitioned the administration to authorize it and the supply corporation for small industry and handicrafts to direct ward and district unions of cooperatives to open stores for collecting and exchanging discarded, displaying products, selling merchandise consigned by installations and, in return, supplying to the latter, at reasonable prices and on convenient terms, various kinds of provisions which the corporation has acquired in the free market. The municipal commercial service has guided ward general commercial corporations to collect, exchange, and supply some provisions, fuel, craft tools, etc. At the same time, it has coordinated with subwards to control and purchase products at agreed upon prices and on mutually profitable terms with an emphasis on dependable and prompt payments. If obstacles and shortcomings are overcome, it goes without saying that the new production forces arising from the temporary regulation will add many more commodities to the three great economic programs.

9213/08309

#### Hanoi Laborers Go to Moscow

4209006/c Hanoi HANOI MOI in Vietnamese  
11 Oct 87 p 2

[Article by Vuong Thuc: "Hanoians Go to Moscow for Labor"]

[Text] In early October, 150 Hanoi laborers flew to Moscow. We asked Nguyen Ky, Labor Service deputy director:

"Please tell us roughly why this year Hanoi sends 1,000 laborers to Moscow?"

"For several years now," he said, "our city has been considering sending people to socialist capitals for cooperative labor. By the end of last year, Tran Vi, then municipal people's committee chairman, wrote to the Moscow mayor on that issue. Follow-up talks were conducted by Tran Tan and Nguyen Tien Duc who were in Moscow on official duties. Our Soviet friends welcomed the idea with the only concern that, although it is long on employment opportunities, Moscow is short on boarding and lodging facilities. A Moscow inhabitant is granted an average of 12 sq m of housing—a privilege which should be extended to the Hanoi laborers. Currently, Moscow has about 10 million people, not including a daily load of 2 million visitors, causing an acute housing shortage. Our Soviet friends have strictly limited access to the city. Even our cadres, workers and civil servants living in the USSR for labor and studies must apply for permits if they want to go to Moscow for a rest, since besides boarding and lodging, other amenities there surpass those elsewhere in the Soviet Union. Finally, in March 1987, we and our friends reached agreement. In May, the state authorized Hanoi to recruit 1,000 Moscow-bound laborers (including 250 women). Our friends were interested in hiring male workers specializing in car repairs and production of mechanical tools and building materials and in female laborers doing work in dress making and weaving.

"Three sectors of building, communications and transportation, and industry, wards, districts, and some administrative and technical agencies were asked by the city to select draftees. Each ward was allowed a quota of 54 laborers, including 30 from small industry and handicraft cooperatives, 14 having completed their military obligations or were related to war invalid and war dead, and 10 from the pool of cadres, workers, and civil servants or their children.

"From July onward, recruits went through administrative processing; in September, they took physicals. But since some wards and districts were unable to meet the deadlines, the Labor Service had to fill empty slots with persons having already qualified for labor in the Soviet Union."

Ky said that this time Moscow departees enjoy rather favorable conditions. They are certain to learn a decent craft and to enjoy convenient boarding and lodging and clear-cut regulations on shipping goods back home. Each month, a laborer can use his wages to buy and send home 10 kg of merchandise. Each year, a shipment of five kinds of goods is allowed—refrigerators, sewing machines, bicycles, pressure cookers, and irons.

Preparations for departure are in better order, with less entanglement and anguish. Departees gather at the corporation of labor services for international cooperation (Labor Service) in Lang. Customs personnel go there to guide departees on regulations and procedures. On the day of departure, they escort freight directly to the airport, leaving departees with no luggage to carry. One person per family is assured a free ride to the airport and back to see their relatives off.

Thus, between now and the year's end, 850 persons will depart—some in late November and the rest in December.

I asked Ky a last question:

"Next year, will Hanoi send laborers to Moscow? In case it will, how many?"

"In 1988," Ky said, "we will continue to recruit laborers for Moscow. However, we have to wait for the agreement to be signed to know the exact number. But I can tell you that most likely it will not be smaller than that of this year."

9213/08309

#### Ho Chi Minh City Strives To Solve Unemployment Problem

42090061d Hanoi TIEU CONG NGHIEP THU CONG NGHIEP in Vietnamese 16 Oct 87 p 5

[Text] There are currently 223,000 unemployed persons in Ho Chi Minh City.

In recent years, the city has taken some great steps—sending thousands of laborers to new economic zones in the provinces of Eastern Nam Bo, Central Highlands, and the suburban districts of Duyen Hai Province, and cooperating on labor with the Soviet Union and other fraternal countries. It has expanded installations for contract production of woven clothings, leather, and processed grain and food, creating jobs for thousands of persons while easing raw material and provision shortages. Each year, thousands of youths went to the Soviet Union, Czechoslovakia, Bulgaria, the German Democratic Republic, etc., to learn crafts or engage in cooperative labor. The city has developed the network of private service trades vigorously. The two sectors of state-operated services and cooperative business alone have drawn 12,000 people; however, only 1,500 people are on the rolls in 22 sectors, practicing 36 different

crafts—repairing and renovating in the fields of electronics, electromechanics and refrigeration, tailoring, ready-to-wear clothings, hair cutting and curling, cosmetic surgery, supplies for betrothal and wedding ceremonies, photography for funerals, domestic tourism, legal services, decoration and advertisements, and keeping motorcycles and bicycles, in line with Decision No 34 of the city on developing the family economy. In the past 10 years, the small industry and handicraft sector has grown steadily and, despite a great many difficulties, it has succeeded primarily in solving employment and raising living standards for laborers.

The city has given attention to developing vocational training centers, 17 of which trained 4,000 students for local production and business installations and taught other crafts to youths in the first 6 months of this year. To get a job, one must learn a craft. Guided by that concept, vocational training centers raised money through production to finance, along with precincts and districts, the purchase of over 3,380,000 dong worth of additional educational equipment to train laborers, particularly youths, enabling them to find employment.

The city should bend over backward even more in the field of vocational training, because by the end of this year at best 52,000 openings will be found, leaving 171,000 persons without a job. This is a concern for municipal CPV committee echelons and administration officials and a burning item in the city's socioeconomic program.

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### Intra-Sector News

9213/08309

## SOCIAL

### Hanoi Establishes Additional Handicraft Units

42090071c Hanoi TIEU CONG NGHIEP THU CONG NGHIEP in Vietnamese 20 Nov 87 p 2

[Text] Thanks to the policy of stimulating production of the collective economic and family areas, small industry and handicraft goods in Hanoi by the end of the third quarter attained a value of more than 1.7 billion dong, 74.3 percent of the plan for the entire year and an increase of 48 percent over the same period last year. The two wards of Dong Da and Hai Ba Trung and the districts of Phuc Tho, Me Linh and Soc Son achieved from 75 to 80.7 percent of the plan for the entire year.

In 4 inner city wards and 6 suburban districts, an additional 2,794 basic production units have been developed in the family and cooperative team areas, providing jobs for nearly 10,000 laborers. Nguyen Hong Phong and Tran Ngoc Thinh (of Hoan Kiem Ward) privately

invested 50 taels of gold to establish an automobile tire recapping team. The team has begun operation, producing initial products of good quality.

However, production in the family economic area and cooperative teams in Hanoi is encountering great difficulties in material, energy and product distribution; the policies of production development incentive are still not uniform; and service and trade facilities have developed more rapidly than those engaged in production, repair, etc.

The Hanoi small industry and handicrafts sector has launched a "90-day sprint" emulation drive with an objective of promoting the production of consumer and export goods; and striving during this fourth quarter to achieve 31.2 percent of the total output value plan, including 110,000 products sewn for export to the Soviet Union.

The Hanoi small industry and handicrafts sector is joining the material, finance and banking sectors to supervise cooperatives in recalculating contract, production and wage costs aimed at ensuring the lives of the cooperative members and stimulating production development. The sector is also guiding the Industrial Materials Corporation in prompt handling of 1,740 tons of slowly moving materials, to provide the basic units with additional conditions for successfully achieving the state plan.

7300

### Professor Presents Study of Forced Labor at Bai Bang

36599935 Stockholm DAGENS NYHETER in Swedish  
20 Nov 87 p 14

[Article by Kaa Eneberg: "No Force in Bai Bang"]

[Text] The workers at the forestry project connected with Bai Bang (Vinh Phu) in Vietnam are not forcibly recruited by the Vietnamese state as a general rule. However "exceptions to the rule of voluntary recruitment" have been noted in at least a few cases.

This conclusion was drawn in a big new study of the forestry workers' conditions which was presented by sociology professor Rita Liljestrom of Goteborg and forestry sociologist Bo Ohlsson at the Swedish International Development Authority, SIDA, on Thursday.

The politically controversial project—once primarily a paper mill but now regarded as a big rural development program—has cost a total of 2 1/2 billion kronor since the beginning of the 1970's (up to and including 1990).

The study group, which also included a British expert on Vietnam, Adam Fforde, was asked by SIDA to follow up a report from SIDA consultants Katarina Larsson and

Lars-Erik Birgegard. They pointed to very unsatisfactory conditions and stated among other things that forced labor recruitment occurred. The situation was especially bad for the approximately 4,000 single women.

At a press conference Rita Liljestrom called the earlier study a "committed closeup of conditions." However she pointed out that their group was not given the same opportunity as her own to look at the underlying factors and examine the broader perspectives.

#### Family Ties

Liljestrom said that Katarina Larsson, who lived with the forestry workers for 4 months, received her impressions entirely from the forestry worker brigades while her own group also visited families in the four delta provinces that are the recruiting base for the forestry project. There they interviewed families whose members have returned from working in the forest and families with members still working there.

In addition they had access to a parallel Vietnamese study made by a woman professor at the women's institute in Hanoi.

But Liljestrom was careful to point out that they could confirm many of the impressions, for example those concerning the exposed position of the single women. In the report, which consists of four parts, Liljestrom herself presented an involved picture of the fate of the single unmarried women who remain alone in a society that bases its security on strong family ties.

A year after the first report, SIDA noted on the basis of a quick study made by forester Lisbet Bostrand that acceptable improvements in worker conditions were under way, and agreed to support the forestry work until 1990.

Improvements in housing standards, the wage system and social conditions were also confirmed by Liljestrom and Ohlsson. They stated that they deliberately looked for brigades with big surpluses of women and a "generally bad reputation" which might pose a problem.

Liljestrom admitted that the study provides no guarantee that "some unfair treatment does not occur" but as far as they could tell the so-called compulsion consisted principally of the women's lack of alternatives in an impoverished country.

#### Supporting Themselves

"It is not a question of a political compulsion on the part of a centrally-ruled state but of a compulsion of circumstances with an emancipation of women that occurred at a time marked by war and poverty. The forest work has made it possible for poor rural women to support themselves and avoid toiling in the rice fields in the delta country," said Liljestrom.

She also referred to the Vietnamese women's study which showed that the women did not want to return to agriculture. Despite discontent, mainly with the isolation of the mountain region, they would rather stay there because of the social benefits—pensions, state food, wages.

The "exceptions to the rule of voluntary recruitment" that were found and that the Vietnamese have admitted occurred in 1979 and 1983. On the first occasions 16,000 unemployed young people were moved to the northern border area to reinforce the region against the Chinese invasion.

#### Armed Brigades

The mobilized young people then formed armed forest labor brigades. In 1983 a large number of men were enticed to work in the forests under the illusion that they would work in the more attractive Bai Bang paper industry.

Of the approximately 17,000 forestry workers, 65 percent are women. Around a third of them, 4,000 women, make up socially hard-pressed single households.

The reason for the surplus of women in the forest brigades, according to Liljestrom, is that women lack alternatives on the labor market even though the nation has a constitution based on equality. Men prefer to look for lighter technical and industrial jobs or join the army. Traditionally Vietnamese women have always performed the heavy work in such areas as agriculture, but the new feature in this development is that women now also move away from their home towns to look for work.

#### Big Families

It has been part of the traditional picture that men work far from their families for long periods of time. Providing for the big families of 8-10 children comes before conjugal life. A third of the children in Vietnam grow up without their fathers.

The voluminous material will be used as a basis for new talks with the Vietnamese on future cooperation. These will begin in 2 weeks.

06578

#### Retired Cadre Worries About Lack of Democracy, Unfairness

42090050a Hanoi NHAN DAN in Vietnamese  
25 Sep 87 p 3

[Article by Tran Quoc Khai: "Confidence of A Retired Cadre"]

[Text] A slender man of medium height, with the skin as dark as the bark of a cajuput pillar that has been immersed in water for a long time, whom I have met at the last Hoc Mon District party congress where he was an honor guest was Mr Tu nicknamed "the rebel."

This year Mr Tu is almost 80 and has not been in good health as he was a few years ago. But if one looked at his sunburned and scarred hands, one would think that he would refuse to be inactive. People call him by the nickname, Tu the Rebel, because in 1940 he led a group of armed youths from 18 betel-growing hamlets in a siege mounted against the French garrison at Bay Hien Intersection, which added more turbulence to the rebellion in Cochinchina then. After that period, he worked feverishly for the revolution by fighting first the French and then the Americans and once being in charge of rear-area activities for the Central Office stationed in "R." After the great victory in the spring of 1975 he returned to Ho Chi Minh City. Everybody thought that a person like him would get a villa to live in and would be doing small jobs as a number of other cadres were doing while waiting for the time to retire. But no, not him, for he still led a poor, honest, and simple life as he had been doing in the days he was in "R," with very little change. And more than a year later people found Mr Tu again among the municipality's first young pioneers who were opening land in a zone of sulfate soil in the rural white belt of its suburbs and building the Le Minh Xuan State Farm. Farmers were very impressed by the fact that Tu the Rebel this time launched an attack not against enemy soldiers but on a virgin land full of co lac [Globom socotriis].

It was true that Tu the Rebel, along with the first group of young pioneers of the municipality, dared to deal with Nature. The reason was that for so many years this land had refused to submit itself to man's wishes: To grow rice was out of the question, and to grow pineapple would be unsure because there might be no harvest. A few years later, the new pineapple crop was good, obviously better than the one farmers there had grown. Thousands of hectares of co lac turned to the green color of pineapple. In this offensive Tu the Rebel again proved he had decided not to retreat.

At the time he retired a few years later, he did not live in a villa in the municipality but in a cottage in his native village instead. After a while he realized that his rural area, in spite of its changes in the wake of the cooperativization, still encountered many obstacles and negative aspects in its daily life.

After he had attended a meeting in the conference hall and as he knew that I was a journalist, he asked me to stay over and, cupping his scarred hands against my ear, told me things that he was afraid other people could hear. He said that where he lived the cooperativization movement was dragging its feet, cadres were doing poorly, production increase was very slow, and people were leading a very difficult life. I asked him, because he was complaining, whether the latest report from the district party committee was accurate. He nodded and said that it was good that now the district party committee had acknowledged the shortcomings, but had it done so right from the beginning, he added, it would have saved the movement from failure and would have

allowed production to reduce its losses. The practice of going after achievements turned out to be very harmful, while cadres were spoiled, oppressive, and factionalist and did not show any solidarity among themselves, with party chapter secretaries showing poor qualities. With such cadres, it was only understandable that the movement could not be a good one. I nodded and asked him why he did not try to fight back to help his fellow villagers.

"To fight back?"

Tu the Rebel looked at me, with the creases on his face becoming seemingly deeper.

"It is not easy to fight them, which I have done but to no avail. At one time I did go and knock at the door of the high-ranking echelons, including some of my old acquaintances. Some of them I had no way of seeing because I would have to go through the protection people, which was very troublesome. Some others I did meet, but they gave me advice of many kinds and were unable to resolve anything. I got disappointed at the hamlet level cadres in some localities have become village bullies and at the higher level the big shots did not do anything. So you think I should fight them?"

Tu the Rebel sighed and remained silent for a long moment. Then he told me about the state of sluggishness in his hamlet, the lack of democracy in the dealing with the people, and the fact that irrational policies caused losses for producers while making the business of dishonest people more profitable. In his opinion, the danger for society was the lack of democracy and unfairness. He was profoundly concerned and wondered whether the party and state had such an understanding. He said that since the day he retired his health has greatly declined and he has been worrying a great deal. And even though he chose to work very hard in his small garden to forget the troubles of his hamlet, he was unable to forget!

I did not have a chance to see him again and then he went home before the closing of the congress. During our last conversation he said that he was satisfied with the report of the district party committee and he was anxious to go home.

As days and months went by, I often remembered Tu the Rebel and his constant worries in his native village every time I saw the closed and well-guarded villas and met some probably retired cadres, who went in a leisurely manner to tennis courts everyday.

Then I received words to the effect that the cooperativization movement where Tu the Rebel lived was being strengthened and that there was a new secretary replacing the former party chapter secretary there. I believed that doubtlessly he has refused to retreat in this bitter and complicated fight.

**END OF  
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**DATE FILMED**

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